

Stock Code: 3376



新日興股份有限公司
SHIN ZU SHING CO., LTD.

2024 Annual Shareholders' Meeting Meeting Agenda

(Translation)

June 18, 2024

Table of Contents

A. Call Meeting to Order.....	1
B. Meeting Agenda.....	2
I. Reported items.....	3
II. Matters for ratification.....	4
III. Matters for discussion.....	5
IV. Extempore motions.....	5
C. Attachments	
Attachment 1. 2023 Business Report.....	6
Attachment 2. 2023 Audit Committee's Review Report.....	9
Attachment 3. CPA's Audit Report and 2023 Consolidated Financial Statements.....	10
Attachment 4. CPA's Audit Report and 2023 Individual Financial Statements.....	21
Attachment 5. 2023 Earnings Distribution Statement.....	31
D. Appendices	
Appendix 1. Articles of Incorporation.....	32
Appendix 2. Rules of Procedure for the Shareholder Meetings.....	40
Appendix 3. Shareholding of Directors.....	48

SHIN ZU SHING CO., LTD.
2024 Annual Shareholders' Meeting Procedure

- I. Call Meeting to Order
- II. Chairman's Address
- III. Reported items
- IV. Matters for ratification
- V. Matters for discussion
- VI. Questions and Motions
- VII. Adjournment

SHIN ZU SHING CO., LTD.
2024 Annual Shareholders' Meeting Agenda

Time: June 18, 2024 (Tuesday) at 9 a.m.

Place: No. 1, Sanjun Street, Shulin District, New Taipei City (Shuang Yan Wedding Restaurant)

Type of Meeting : Physical Meeting

Agenda:

- I. Meeting called to order (announce respective number of shares held by shareholders present)
- II. Chairman's Address
- III. Reported items
 - (I) 2023 Business report.
 - (II) 2023 Audit Committee's Review Report.
 - (III) 2023 distribution of remuneration to employees and directors.
- IV. Matters for ratification
 - (I) Adoption of the 2023 Business Report and Financial Statements
 - (II) Adoption of the Proposal for Distribution of 2023 Profits
- V. Matters for discussion

Distribution of cash dividends from capital surplus
- VI. Questions and Motions
- VII. Adjournment

Reported items

1. 2023 Business Report.

Explanatory Notes : Please refer to Attachment I

2. 2023 Audit Committee's Review Report.

Explanatory Notes : Please refer to Attachment II.

3. 2023 distribution of remuneration to employees and directors.

Explanatory Notes :

- (1) The Company's 2023 profit is NT\$1,133,538,279 (before deduction of employee remuneration and directors' remuneration). It is proposed to set employee remuneration of NT\$68,012,297 and directors' remuneration of NT\$9,000,000, both to be distributed in cash.
- (2) There is no difference between the amount of directors' remuneration and the amount of employee's remuneration set aside this time and the annual estimated amounts of recognized expenses.

Matters for ratification

1. To accept 2023 Business Report and Financial Statements (Proposed by the Board of Directors)

Explanatory Notes :

- (1) The Company has completed formulation of the 2023 consolidated financial statements and individual financial statements. Audit has been completed by CPAs Yu-Shiou Su and Ming-Yu Chiu of Deloitte Taiwan and sent to the Audit Committee for review along with the business report. and a review report has been issued.
- (2) For the business report, independent auditor's report and the above-mentioned financial statements, please refer to Attachment 1, Attachment 3 and Attachment 4 of this Manual.

2. To ratify the 2023 earnings distribution proposal. (Proposed by the Board of Directors)

Explanatory Notes :

- (1) The Company's 2023 net profit after tax is NT\$807,404,024. For the proposed surplus distribution table, please refer to Attachment 5.
- (2) Shareholders' cash dividends are calculated up to the dollar, rounded up to the dollar, and the total amount of fractional amounts less than one dollar shall be adjusted in order of sequence from the largest to the smallest decimal number and from the first to last account number until consistent with the total amount of cash dividend distributed.
- (3) For subsequent changes in the number of outstanding shares due to the buyback of the Company's shares, the transfer of treasury stocks, the execution of employee stock options, and the issuance of new shares for cash capital increase, etc., resulting in changes to the shareholder's dividend ratio, the chairman of the board is authorized to handle such matters.

- (4) Upon the approval of the Annual Shareholders' Meeting, it is proposed that the chairman of the board be authorized to resolve the ex-dividend date and other relevant issues.

Matters for discussion

1. Distribution of cash dividends from capital surplus. (Proposed by the Board of Directors)

Explanatory Notes:

- (1) The Company intends to set aside NT\$281,622,519 from the capital surplus arising from paid-in capital in excess of par value on issuance of ordinary shares. Each share is distributed cash dividends of NT\$1.5 with all amounts rounded up to the dollar, and the total amount of fractional amounts less than one dollar shall be adjusted in order of sequence from the largest to the smallest decimal number and from the first to last account number until consistent with the total amount of cash distributed.
- (2) For subsequent changes in the dividend amount distributed per share due to the buyback of the Company's shares, the transfer of treasury stocks, the execution of employee stock options, and the issuance of new shares for cash capital increase, etc., resulting in changes to the shareholder's cash distribution ratio, the chairman of the board is authorized to handle such matters.
- (3) Upon the approval of the Annual Shareholders' Meeting, it is proposed that the chairman of the board be authorized to resolve the payment date and other relevant issues.

Questions and Motions **Adjournment**

Attachment 1

SHIN ZU SHING CO., LTD. 2023 Business Report

Implementation of the business plan

Farewell to the haze of Covid-19 in 2023, all parts of the world are poised for the new normal. Many countries have proposed various economic stimulus policies, but the consumer electronics industry has been affected by demand and supply shocks. The supply side mainly comes from the United States and China Trade tensions, trade sanctions and restrictions, and the pressure on the supply chain are still unstable ; on the demand side, economic growth slowed down in 2023, and many consumers also cut spending Consumer electronics are growing. The sluggish end market demand and China's economic recovery are not as good as expected, resulting in low demand for electronic consumer products, which affects the sales volume of the HINGE industry ; in the supply chain, the inventory adjustment and inflation pressure continue to intensify, and the prices of various raw materials are climbing , SHIN ZU SHING is faced with many downside risks and continues to adjust the direction of its operating strategies to minimize related risks. Although the revenue in 2023 fell short of expectations, the profitability was stable in response to the cost savings and with the efforts of all employees. The management team of SHIN ZU SHING has also adjusted its future layout in response to the impact of the global economic environment. We continue to focus on the development of the HINGE industry , develop new technologies and new materials, and strengthen process automation. At the same time, we apply exquisite precision processing technology in many aspects to innovate and develop different industrial areas to open up the next stage of operational growth and promote environmental sustainability to maximize economic performance, develop more competitive and environmentally-friendly products, and maximize profits for all shareholders.

(I) Operating income and expenditures

Unit: NT\$ thousand

Item	2023 Budgeted amount	2023 Actual amount	Achievement rate %
Net operating revenue	13,000,551	10,067,747	77.44%
Operating cost	9,942,817	8,262,923	83.10%
Gross operating profit	3,057,734	1,804,824	59.02%
Operating expenses	986,187	895,940	90.85%
Net operating profit	2,071,547	908,884	43.87%
Net profit before tax	2,204,142	1,163,170	52.77%
Net income for the period	1,554,774	807,404	51.93%

(II) Profitability analysis

	Item	2023 (%)	2022 (%)
Financial structure	Liabilities to assets ratio (%)	27.83	25.93
	Long-term capital to property, plant and equipment (%)	298.69	286.05
Solvency	Current ratio (%)	227.83	254.39
	Quick ratio (%)	194.90	218.97
	Times interest earned (times)	5,081.46	20,352.84
Profitability	Return on assets (%)	3.84	7.80
	Return on equity (%)	5.14	10.57
	Ratio of Pre-Tax Net Profit to Paid-in Capital (%)	61.95	120.81
	Net profit margin (%)	8.02	14.03
	Earnings per share (NTD)	4.30	8.68

In 2023, the Company shipped 39,440 thousand pcs of notebook PCs, a decrease of 24.23% from the previous year. In addition, the shipment of the LCD dropped by 34.82% to 8,090 thousand pcs. In 2023, the proportion of main revenue in the NB Hinge was about 21%; that of the LCD was about 22%; and that of the wearables and accessories was about 45%. The Company's consolidated operating revenue was NTD 10.067 billion in 2023, a decrease of approximately 15% from the previous year's NTD 11.824 billion, and the consolidated gross margin was 18%, a decrease of 3% from the previous year. Net income was 9%, a decrease of 4% from the previous year. The net profit after tax was NTD 870 million, a decrease of approximately 51% from the previous year's NTD 1.659 billion. Basic earnings per share was NTD 4.30 which decreased by approximately 50% from the NTD 8.68 in the previous year.

Overview of 2024 Business Plan

Looking to the future, there are still many uncertainties in the global economic development. In addition, the continued confrontation between the U.S. and China, the Ukraine-Russian War with no sign of armistice, and the Israel-Palestine conflict ensues, the impact of geopolitical risks on the industry continues to increase. In response to these challenges, the management team of SHIN ZU SHING used Taiwan as a base for innovation and development, enhanced R&D and business innovation capabilities, and accelerated the construction and operation of production sites in Southeast Asia - Vietnam, to provide customers with more timely service and manufacturing quality. On the other hand, following the in-depth relationship and technology development of previous customers, SHIN ZU SHING has been more active in the development of foldable products for various applications in 2024, while accelerating cross-industry development, and enter into new industries, such as

the green industry connotation of the electric auxiliary bicycle industry and the energy storage product system technology.

In the face of rapid changes, talents are even more critical to the creation and enhancement of the Company's value. Sunrise is committed to establishing stable employee relations, in order to provide the right environment for the right people, and comprehensive education and training, in order to achieve the benefits of talent retention and cultivation . At the same time, we also recruit talents with vision, innovation, and execution capabilities. It is hoped that the employees of SHIN ZU SHING will keep their eyes on various industries, give full play to their creativity, execution and technology capabilities, and use professional technology and stable management capabilities. Grow together with SHIN ZU SHING to achieve a win-win situation.

For the overall development in the future, apart from pursuing the performance of operating results, SHIN ZU SHING will focus on the determination of the environmental impact brought about by climate change, develop more competitive and Low-carbon production process, while activating the value of waste recycling and reuse, with people-oriented, environmental symbiosis, and social co-prosperity as our vision, integrating the ultimate goal of various ESG promotion into business operations, and forming alliances with various supply chains. Strengthen supply chain management functions to achieve the goal of mutual benefit and sustainability.

We would like to thank all shareholders, customers and partners for your support. We will continue to devote ourselves to corporate innovation and growth, improve corporate governance, and adhere to ethical management. We look forward to working with you toward a sustainable future.

Wishing all shareholders

Good health and the best of fortune

SHIN ZU SHING CO., LTD.

Chairman : Sheng-Nan Lu

CEO : Chao-Tsung Juan

Head accountant : Fan, Ya-Fen

Attachment 2

SHIN ZU SHING CO., LTD.

Audit Committee's Review Report

The board of directors has prepared the company's 2023 financial statements as well as the business report and the surplus distribution proposal. Among them, the financial statements were verified by CPAs Yu-Shiou Su and Ming-Yu Chiu of Deloitte Taiwan, and an independent auditor's report has been issued. The above documents have been reviewed by the Audit Committee as correctly portraying the Company's business activities. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, this report is compiled and presented for shareholder's examination.

To

SHIN ZU SHING CO., LTD. 2024 Annual Shareholders' Meeting

Audit Committee convener: Yuan-Long Chang

March 1, 2024

Attachment 3

Independent Auditor's Report

The Board of Directors and Shareholders
Shin Zu Shing Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Shin Zu Shing Co., Ltd. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statements”).

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Assessment of revenue recognition

Shin Zu Shing Co., Ltd. and its subsidiaries mainly engaged in research and development,

manufacturing and sales of notebook and LCD hinge components and MIM (Metal Injection Molding). Considering the significant risk associated with revenue recognition in accordance with auditing standards, and the substantial growth in wearable product revenue this year, we have identified the authenticity of The Group's wearable product sales transactions as a key audit matter.

The key audit procedures that we performed in respect of sales from hub warehouses included the following:

1. Understand the internal control over wearable product sales revenue and assess its effectiveness.
2. Conduct detailed testing of wearable product sales revenue to confirm the occurrence of these sales transactions.
3. Obtain the detailed revenue recognition records from the accounting personnel for wearable product sales customers, and examine whether the revenue recognition has been approved after evaluation of the transaction conditions by relevant personnel.

Other Matter

We have audited the separate financial statements of Shin Zu Shing Co., Ltd. as of and for the years ended December 31, 2023 and 2021 on which we have issued an unmodified opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing of the Republic of China will always detect a material misstatement

when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Yu-Shiou Su and Ming-Yu Chiu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 1, 2024

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
SHIN ZU SHING CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

ASSETS	2023		2022	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	\$ 2,619,354	12	\$ 3,282,113	15
Financial assets at fair value through profit or loss - current (Notes 7 and 30)	195,695	1	188,190	1
Financial assets at amortized cost - current (Note 9)	3,764,118	17	2,993,956	14
Notes receivable (Note 10)	41,891	-	11,248	-
Accounts receivable (Note 10)	4,066,896	19	4,352,961	20
Accounts receivable from related parties (Notes 10 and 31)	1,394	-	35	-
Other receivables (Note 10)	80,721	-	48,262	-
Inventories (Note 11)	1,621,791	8	1,665,649	8
Other current assets	208,442	1	93,623	1
Total current assets	<u>12,600,302</u>	<u>58</u>	<u>12,636,037</u>	<u>59</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Note 8)	756,380	4	208,727	1
Investments accounted for using the equity method (Note 13)	172,081	1	105,695	-
Property, plant and equipment (Note 14)	5,363,886	25	5,758,801	27
Right-of-use assets (Note 15)	67,631	-	118,157	1
Investment properties, net (Note 16)	2,422,671	11	2,441,877	11
Deferred tax assets (Note 25)	87,226	1	123,377	1
Refundable deposits	15,632	-	15,569	-
Other non-current assets (Notes 17 and 21)	66,259	-	32,200	-
Total non-current assets	<u>8,951,766</u>	<u>42</u>	<u>8,804,403</u>	<u>41</u>
TOTAL	<u>\$ 21,552,068</u>	<u>100</u>	<u>\$ 21,440,440</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term loans (Note 18)	\$ 1,819,740	9	\$ 1,013,430	5
Financial liabilities at fair value through profit or loss - current (Notes 7 and 30)	1,052	-	-	-
Notes payable, net	31	-	19	-
Accounts payable, net (Note 19)	2,234,118	10	1,501,046	7
Accounts payable to related parties, net (Note 31)	359,953	2	186,935	1
Other payables (Note 20)	690,121	3	720,263	3
Other payables to related parties (Note 31)	2,280	-	575	-
Current tax liabilities (Note 25)	22,828	-	252,618	1
Lease liabilities - current (Note 15)	30,464	-	49,859	-
Current portion of long-term borrowings (Note 18)	-	-	767,750	4
Other current liabilities	369,872	2	474,763	2
Total current liabilities	<u>5,530,459</u>	<u>26</u>	<u>4,967,258</u>	<u>23</u>
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Note 25)	414,456	2	511,921	3
Lease liabilities - non-current (Note 15)	31,206	-	62,056	-
Guarantee deposits received	22,689	-	18,789	-
Total non-current liabilities	<u>468,351</u>	<u>2</u>	<u>592,766</u>	<u>3</u>
Total liabilities	<u>5,998,810</u>	<u>28</u>	<u>5,560,024</u>	<u>26</u>
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT (Note 22)				
Share capital				
Ordinary shares	<u>1,877,483</u>	<u>9</u>	<u>1,877,483</u>	<u>9</u>
Capital surplus	<u>1,807,450</u>	<u>8</u>	<u>2,370,695</u>	<u>11</u>
Retained earnings				
Legal reserve	2,021,998	9	1,886,935	9
Special reserve	320,399	2	393,011	2
Unappropriated earnings	9,872,258	46	9,672,691	45
Total retained earnings	<u>12,214,655</u>	<u>57</u>	<u>11,952,637</u>	<u>56</u>
Other equity	(346,330)	(2)	(320,399)	(2)
Total equity	<u>15,553,258</u>	<u>72</u>	<u>15,880,416</u>	<u>74</u>
Total	<u>\$ 21,552,068</u>	<u>100</u>	<u>\$ 21,440,440</u>	<u>100</u>

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
SHIN ZU SHING CO., LTD. AND SUBSIDIARIES

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

	2023		2022	
	Amount	%	Amount	%
NET REVENUE (Note 23)	\$ 10,067,747	100	\$ 11,824,698	100
COST OF REVENUE (Note 11)	<u>8,262,923</u>	<u>82</u>	<u>9,322,982</u>	<u>79</u>
GROSS PROFIT	<u>1,804,824</u>	<u>18</u>	<u>2,501,716</u>	<u>21</u>
OPERATING EXPENSES				
Selling expenses	134,363	1	229,876	2
Administrative expenses	461,454	5	497,025	4
Research and development expenses	313,902	3	198,327	2
Expected credit (reversal) loss on account receivables	<u>(13,779)</u>	<u>-</u>	<u>17,195</u>	<u>-</u>
Total operating expenses	<u>895,940</u>	<u>9</u>	<u>942,423</u>	<u>8</u>
INCOME FROM OPERATIONS	<u>908,884</u>	<u>9</u>	<u>1,559,293</u>	<u>13</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 24)	136,605	2	62,024	-
Other income (Note 24)	133,717	1	116,050	1
Other gains and losses, net (Note 24)	6,828	-	546,846	5
Finance costs (Note 24)	(23,350)	-	(11,199)	-
Share of profits of associates	<u>486</u>	<u>-</u>	<u>(4,899)</u>	<u>-</u>
Total non-operating income and expenses	<u>254,286</u>	<u>3</u>	<u>708,822</u>	<u>6</u>
INCOME BEFORE INCOME TAX	1,163,170	12	2,268,115	19
INCOME TAX EXPENSE (Note 25)	<u>355,766</u>	<u>4</u>	<u>608,931</u>	<u>5</u>
NET INCOME	<u>807,404</u>	<u>8</u>	<u>1,659,184</u>	<u>14</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Item that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	471	-	4,353	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	56,760	1	(56,938)	-
Item that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	<u>(65,303)</u>	<u>(1)</u>	<u>129,550</u>	<u>1</u>

(Continued)

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
SHIN ZU SHING CO., LTD. AND SUBSIDIARIES

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

	2023		2022	
	Amount	%	Amount	%
Other comprehensive (loss) income for the year	<u>(8,072)</u>	<u>-</u>	<u>76,965</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 799,332</u>	<u>8</u>	<u>\$ 1,736,149</u>	<u>15</u>
NET INCOME ATTRIBUTABLE TO:				
Shareholders of the parent	\$ 807,404	8	\$ 1,659,184	14
Non-controlling interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 807,404</u>	<u>8</u>	<u>\$ 1,659,184</u>	<u>14</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Shareholders of the parent	\$ 799,332	8	\$ 1,736,149	15
Non-controlling interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 799,332</u>	<u>8</u>	<u>\$ 1,736,149</u>	<u>15</u>
EARNINGS PER SHARE (Note 26)				
Basic	<u>\$ 4.30</u>		<u>\$ 8.68</u>	
Diluted	<u>\$ 4.29</u>		<u>\$ 8.61</u>	

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
SHIN ZU SHING CO., LTD. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Owners of the Company										
	Ordinary Shares	Capital Surplus	Retained Earnings			Exchange Differences on Translating the Financial Statements of Foreign Operations	Others		Treasury Stock	Equity Attributable to Owners of the Company	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings		Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income				
BALANCE AT JANUARY 1, 2022	\$ 1,924,853	\$ 2,911,722	\$ 1,769,772	\$ 329,101	\$ 8,984,344	\$ (357,199)	\$ (35,812)	\$ -	\$ 15,526,781	\$ 15,526,781	
Appropriation of 2021 earnings											
Legal reserve	-	-	117,163	-	(117,163)	-	-	-	-	-	
Special reserve	-	-	-	63,910	(63,910)	-	-	-	-	-	
Cash dividends to shareholders	-	-	-	-	(481,213)	-	-	-	(481,213)	(481,213)	
Issuance of shares dividends from capital surplus	-	(481,213)	-	-	-	-	-	-	(481,213)	(481,213)	
Treasury stock acquired	-	-	-	-	-	-	-	(420,088)	(420,088)	(420,088)	
Treasury stock retired	(47,370)	(59,814)	-	-	(312,904)	-	-	420,088	-	-	
Net income for the year ended December 31, 2022	-	-	-	-	1,659,184	-	-	-	1,659,184	1,659,184	
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	4,353	129,550	(56,938)	-	76,965	76,965	
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	1,663,537	129,550	(56,938)	-	1,736,149	1,736,149	
BALANCE AT DECEMBER 31, 2022	1,877,483	2,370,695	1,886,935	393,011	9,672,691	(227,649)	(92,750)	-	15,880,416	15,880,416	
Appropriation of 2022 earnings											
Legal reserve	-	-	135,063	-	(135,063)	-	-	-	-	-	
Cash dividends to shareholders	-	-	-	-	(563,245)	-	-	-	(563,245)	(563,245)	
Special reserve	-	-	-	(72,612)	72,612	-	-	-	-	-	
Issuance of shares dividends from capital surplus	-	(563,245)	-	-	-	-	-	-	(563,245)	(563,245)	
Net income for the year ended December 31, 2023	-	-	-	-	807,404	-	-	-	807,404	807,404	
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	471	(65,303)	56,760	-	(8,072)	(8,072)	
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	807,875	(65,303)	56,760	-	799,332	799,332	
Disposal of the investment in equity instruments designed as at fair value through other comprehensive income	-	-	-	-	17,388	-	(17,388)	-	-	-	
BALANCE AT DECEMBER 31, 2023	\$ 1,877,483	\$ 1,807,450	\$ 2,021,998	\$ 320,399	\$ 9,872,258	\$ (292,952)	\$ (53,378)	\$ -	\$ 15,553,258	\$ 15,553,258	

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
SHIN ZU SHING CO., LTD. AND SUBSIDIARIES

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

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,163,170	\$ 2,268,115
Adjustments for:		
Depreciation expense	596,864	628,772
Expected credit loss recognized (reversal)	(13,779)	17,195
Net loss (gain) on fair value change of financial assets and liabilities at fair value through profit or loss	62,350	(71,914)
Finance costs	23,350	11,199
Interest income	(136,605)	(62,024)
Dividend income	(18,748)	(17,587)
Share of profit of associates	(486)	4,899
(Gain) loss on disposal of property, plant and equipment, net	(1,603)	2,158
Loss on disposal of subsidiaries	13,885	-
Gain on disposal of financial assets, net	(9,929)	(2,264)
Write-down of inventories	-	7,143
Reversal of write-downs of inventories	(39,198)	-
Other items	(539)	(87,436)
Changes in operating assets and liabilities		
Notes receivable	(30,643)	279
Accounts receivable	299,907	206,841
Accounts receivable from related parties	(1,359)	(35)
Other receivables	(18,332)	(4,628)
Inventories	83,275	88,920
Other current assets	(114,819)	11,307
Notes payable	12	(1,287)
Accounts payable	733,072	(963,000)
Accounts payable to related parties	173,018	186,935
Other payables	(24,578)	(260,789)
Other payables to related parties	1,705	575
Other current liabilities	(104,891)	175,561
Cash generated from operations	2,635,099	2,138,935
Interest received	122,074	62,656
Dividends received	18,748	17,587
Interest paid	(19,300)	(5,605)
Income tax paid	(646,610)	(681,361)
Net cash generated from operating activities	<u>2,110,011</u>	<u>1,532,212</u>
NET CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of financial assets at fair value through other comprehensive income	(511,440)	(28,246)
Proceeds from disposal of financial assets at fair value through other comprehensive income	7,658	-
Increase in financial assets at amortized cost	(770,162)	(209,079)

(Continued)

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
SHIN ZU SHING CO., LTD. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)**

	2023	2022
Acquisitions of financial assets at fair value through profit or loss	(83,369)	(59,641)
Proceeds from disposal of financial assets at fair value through profit or loss	24,495	100,895
Payments for disposal of investments accounted for using the equity method	(80,275)	-
Acquisitions for property, plant and equipment	(117,867)	(195,624)
Proceeds from disposal of property, plant and equipment	19,209	124,252
(Increase) decrease in refundable deposits	(171)	1,105
Proceeds from expropriation of land	-	43,536
Acquisitions of investments properties	-	(2,212,812)
Increase in other non-current assets	<u>(80,178)</u>	<u>(94,284)</u>
Net cash used in investing activities	<u>(1,592,100)</u>	<u>(2,529,898)</u>
NET CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	38,560	515,190
Increase in guarantee deposits received	4,092	9,898
Repayment of the principal portion of lease liabilities	(51,491)	(51,867)
Cash dividends	(1,126,490)	(962,426)
Treasury stocks acquired (Note 22)	<u>-</u>	<u>(420,088)</u>
Net cash used in financing activities	<u>(1,135,329)</u>	<u>(909,293)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(45,341)</u>	<u>189,814</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(662,759)	(1,717,165)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>3,282,113</u>	<u>4,999,278</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 2,619,354</u>	<u>\$ 3,282,113</u>

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

Attachment 4

Independent Auditor's Report

The Board of Directors and Shareholders
Shin Zu Shing Co., Ltd.

Opinion

We have audited the accompanying financial statements of Shin Zu Shing Co., Ltd. (the “Company”), which comprise the balance sheets as of December 31, 2023 and 2022, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the “financial statements”).

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the 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 those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Assessment of revenue recognition

Shin Zu Shing Co., Ltd. mainly engaged in research and development, manufacturing and sales of notebook and LCD hinge components and MIM (Metal Injection Molding). Considering the significant risk associated with revenue recognition in accordance with auditing standards, and the substantial growth in wearable product revenue this year, we have identified the authenticity of the Company's wearable product sales transactions as a key audit matter.

The key audit procedures that we performed in respect of sales from hub warehouses included the following:

1. Understand the internal control over wearable product sales revenue and assess its effectiveness.
2. Conduct detailed testing of wearable product sales revenue to confirm the occurrence of these sales transactions.
3. Obtain the detailed revenue recognition records from the accounting personnel for wearable product sales customers, and examine whether the revenue recognition has been approved after evaluation of the transaction conditions by relevant personnel.

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

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

In preparing the 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 Financial Statements

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

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

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

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Yu-Shiou Su and Ming-Yu Chiu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 1, 2024

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
SHIN ZU SHING CO., LTD.

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

ASSETS	2023		2022	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 28)	\$ 686,810	3	\$ 722,243	3
Financial assets at fair value through profit or loss - current (Notes 7 and 28)	-	-	99,637	1
Financial assets at amortized cost - current (Notes 8 and 28)	2,692,470	13	1,925,245	9
Notes receivable, net (Notes 9 and 28)	3,079	-	6,376	-
Accounts receivable, net (Notes 9 and 28)	3,077,912	15	3,458,914	17
Accounts receivable from related parties, net (Notes 9, 28 and 29)	29,919	-	23,970	-
Other receivables (Note 28)	41,277	-	25,294	-
Inventories (Note 10)	1,125,426	6	1,116,392	5
Other current assets	12,338	-	17,916	-
Total current assets	<u>7,669,231</u>	<u>37</u>	<u>7,395,987</u>	<u>35</u>
NON-CURRENT ASSETS				
Investments accounted for using equity method (Note 11)	5,302,378	26	5,436,384	26
Property, plant and equipment (Note 12)	5,039,765	25	5,354,656	26
Right-of-use assets (Note 13)	29,634	-	44,026	-
Investment properties, net (Note 14)	2,422,671	12	2,441,877	12
Deferred tax assets (Note 23)	87,012	-	123,166	1
Refundable deposits	9,870	-	9,266	-
Other non-current assets (Notes 15 and 19)	66,238	-	32,155	-
Total non-current assets	<u>12,957,568</u>	<u>63</u>	<u>13,441,530</u>	<u>65</u>
TOTAL	<u>\$ 20,626,799</u>	<u>100</u>	<u>\$ 20,837,517</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term loans (Notes 16 and 28)	\$ 1,819,740	9	\$ 1,013,430	5
Financial liabilities at fair value through profit or loss - current (Notes 7 and 28)	1,052	-	-	-
Notes payable (Note 28)	31	-	19	-
Accounts payable (Notes 17 and 28)	744,513	4	535,941	2
Accounts payable to related parties (Notes 28 and 29)	1,148,666	5	810,944	4
Other payables (Notes 18 and 28)	532,274	3	556,970	3
Other payables to related parties (Note 29)	1,820	-	223	-
Current tax liabilities (Note 23)	8,735	-	232,386	1
Lease liabilities - current (Notes 13 and 28)	18,615	-	19,579	-
Current portion of long-term borrowings (Notes 16 and 28)	-	-	767,750	4
Other current liabilities	360,227	2	473,990	2
Total current liabilities	<u>4,635,673</u>	<u>23</u>	<u>4,411,232</u>	<u>21</u>
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Note 23)	414,456	2	511,921	3
Lease liabilities - non-current (Notes 13 and 28)	11,410	-	24,856	-
Guarantee deposits received (Note 29)	12,002	-	9,092	-
Total non-current liabilities	<u>437,868</u>	<u>2</u>	<u>545,869</u>	<u>3</u>
Total liabilities	<u>5,073,541</u>	<u>25</u>	<u>4,957,101</u>	<u>24</u>
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT				
Share capital				
Ordinary shares	1,877,483	9	1,877,483	9
Capital surplus	1,807,450	9	2,370,695	11
Retained earnings				
Legal reserve	2,021,998	10	1,886,935	9
Special reserve	320,399	1	393,011	2
Unappropriated earnings	9,872,258	48	9,672,691	46
Total retained earnings	12,214,655	59	11,952,637	57
Other equity	(346,330)	(2)	(320,399)	(1)
Total equity	<u>15,553,258</u>	<u>75</u>	<u>15,880,416</u>	<u>76</u>
TOTAL	<u>\$ 20,626,799</u>	<u>100</u>	<u>\$ 20,837,517</u>	<u>100</u>

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

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

SHIN ZU SHING CO., LTD.

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)**

	2023		2022	
	Amount	%	Amount	%
NET REVENUE (Notes 21 and 29)	\$ 7,478,880	100	\$ 8,678,588	100
COST OF REVENUE (Notes 10 and 29)	<u>6,207,298</u>	<u>83</u>	<u>6,801,477</u>	<u>78</u>
GROSS PROFIT	1,271,582	17	1,877,111	22
UNREALIZED GAIN ON THE TRANSACTIONS WITH SUBSIDIARIES	4,158	-	1,250	-
REALIZED GAIN ON THE TRANSACTIONS WITH SUBSIDIARIES	<u>1,379</u>	<u>-</u>	<u>3,825</u>	<u>-</u>
NET GROSS PROFIT	<u>1,268,803</u>	<u>17</u>	<u>1,879,686</u>	<u>22</u>
OPERATING EXPENSES (Note 29)				
Selling expenses	68,340	1	110,990	1
Administrative expenses	342,446	4	383,104	5
Research and development expenses	<u>269,725</u>	<u>4</u>	<u>198,327</u>	<u>2</u>
Total operating expenses	<u>680,511</u>	<u>9</u>	<u>692,421</u>	<u>8</u>
INCOME FROM OPERATIONS	<u>588,292</u>	<u>8</u>	<u>1,187,265</u>	<u>14</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 22)	54,105	1	19,120	-
Other income (Notes 22 and 29)	106,083	1	76,278	1
Other gains and losses, net (Note 22)	(53,906)	(1)	238,676	3
Finance costs (Note 22)	(21,084)	-	(8,876)	-
Share of profit of subsidiaries	<u>383,036</u>	<u>5</u>	<u>551,050</u>	<u>6</u>
Total non-operating income and expenses	<u>468,234</u>	<u>6</u>	<u>876,248</u>	<u>10</u>
INCOME BEFORE INCOME TAX	1,056,526	14	2,063,513	24
INCOME TAX EXPENSE (Note 23)	<u>249,122</u>	<u>3</u>	<u>404,329</u>	<u>5</u>
NET INCOME	<u>807,404</u>	<u>11</u>	<u>1,659,184</u>	<u>19</u>
OTHER COMPREHENSIVE (LOSS) INCOME				
Items that will not be reclassified subsequently to profit or loss:				

(Continued)

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

SHIN ZU SHING CO., LTD.

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)**

	2023		2022	
	Amount	%	Amount	%
Remeasurement of defined benefit plans (Note 19)	471	-	4,353	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	56,760	1	(56,938)	(1)
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	<u>(65,303)</u>	<u>(1)</u>	<u>129,550</u>	<u>2</u>
Other comprehensive (loss) income for the year	<u>(8,072)</u>	<u>-</u>	<u>76,965</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 799,332</u>	<u>11</u>	<u>\$ 1,736,149</u>	<u>20</u>
EARNINGS PER SHARE (Note 24)				
Basic	<u>\$ 4.30</u>		<u>\$ 8.68</u>	
Diluted	<u>\$ 4.29</u>		<u>\$ 8.61</u>	

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

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
SHIN ZU SHING CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	Ordinary Shares	Capital Surplus	Retained Earnings			Others		Treasury Stock	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income		
BALANCE AT JANUARY 1, 2022	\$ 1,924,853	\$ 2,911,722	\$ 1,769,772	\$ 329,101	\$ 8,984,344	\$ (357,199)	\$ (35,812)	\$ -	\$ 15,526,781
Appropriation of 2021 earnings									
Legal reserve	-	-	117,163	-	(117,163)	-	-	-	-
Special reserve	-	-	-	63,910	(63,910)	-	-	-	-
Cash dividends to shareholders	-	-	-	-	(481,213)	-	-	-	(481,213)
Issuance of shares dividends from capital surplus	-	(481,213)	-	-	-	-	-	-	(481,213)
Treasury stock acquired	-	-	-	-	-	-	-	(420,088)	(420,088)
Treasury stock retired	(47,370)	(59,814)	-	-	(312,904)	-	-	420,088	-
Net income for the year ended December 31, 2022	-	-	-	-	1,659,184	-	-	-	1,659,184
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	4,353	129,550	(56,938)	-	76,965
Total comprehensive income for the year ended December 31, 2022	-	-	-	-	1,663,537	129,550	(56,938)	-	1,736,149
BALANCE AT DECEMBER 31, 2022	1,877,483	2,370,695	1,886,935	393,011	9,672,691	(227,649)	(92,750)	-	15,880,416
Appropriation of 2022 earnings									
Legal reserve	-	-	135,063	-	(135,063)	-	-	-	-
Cash dividends to shareholders	-	-	-	-	(563,245)	-	-	-	(563,245)
Special reserve	-	-	-	(72,612)	72,612	-	-	-	-
Issuance of shares dividends from capital surplus	-	(563,245)	-	-	-	-	-	-	(563,245)
Net income for the year ended December 31, 2023	-	-	-	-	807,404	-	-	-	807,404
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	471	(65,303)	56,760	-	(8,072)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	807,875	(65,303)	56,760	-	799,332
Disposal of the investment in equity instruments designed as at fair value through other comprehensive income	-	-	-	-	17,388	-	(17,388)	-	-
BALANCE AT DECEMBER 31, 2023	\$ 1,877,483	\$ 1,807,450	\$ 2,021,998	\$ 320,399	\$ 9,872,258	\$ (292,952)	\$ (53,378)	\$ -	\$ 15,553,258

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

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
SHIN ZU SHING CO., LTD.

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

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,056,526	\$ 2,063,513
Adjustments for:		
Depreciation expense	466,049	506,302
Net loss (gain) on fair value change of financial assets and liabilities at fair value through profit or loss	100,689	(106,559)
Finance costs	21,084	8,876
Interest income	(54,105)	(19,120)
Share of profit of subsidiaries	(383,036)	(551,050)
(Gain) loss on disposal of property, plant and equipment, net	(3,050)	1,570
(Reversal of write-downs of inventories) write-downs of inventories	(33,113)	6,000
Unrealized gain on the transactions with associates	4,158	1,250
Realized gain on the transactions with associates	(1,379)	(3,825)
Changes in operating assets and liabilities:		
Notes receivable	3,297	(2,840)
Accounts receivable	381,002	(205,602)
Accounts receivable from related parties	(5,949)	47,312
Other receivables	(14,920)	(4,112)
Inventories	24,079	(337,920)
Other current assets	5,578	(3,557)
Notes payable	12	(1,287)
Accounts payable	208,572	103,796
Accounts payable to related parties	337,722	(617,219)
Other payables	(38,601)	6,407
Other payables to related parties	1,597	223
Other current liabilities	<u>(113,763)</u>	<u>177,336</u>
Cash generated from operations	1,962,449	1,069,494
Interest received	53,042	18,904
Interest paid	(19,255)	(5,602)
Income tax paid	<u>(445,406)</u>	<u>(400,243)</u>
Net cash generated from operating activities	<u>1,550,830</u>	<u>682,553</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
(Decrease) increase in financial assets at amortized cost	(767,225)	376,643
Proceeds from disposal of financial assets at fair value through profit or loss	-	87,063
Acquisitions of investments accounted for using the equity method	(760,890)	(500,000)
Proceeds from capital reduction of associates	395,785	-
Acquisitions for property, plant and equipment	(67,004)	(82,097)
Proceeds from disposal of property, plant and equipment	17,872	5,647
(Increase) decrease in refundable deposit	(604)	2,680
Acquisitions of investments properties	-	(2,212,812)
Dividends received from subsidiaries	782,147	667,765
Increase in other non-current assets	<u>(80,202)</u>	<u>(95,153)</u>

(Continued)

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

SHIN ZU SHING CO., LTD.

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

	2023	2022
Net cash used in investing activities	<u>(480,121)</u>	<u>(1,750,264)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	38,560	515,190
Increase in long-term borrowings	-	75,750
Increase in guarantee deposits received	2,910	9,092
Repayment of the principal portion of lease liabilities	(21,122)	(22,798)
Cash dividends	(1,126,490)	(962,426)
Treasury stocks acquired (Note 20)	<u>-</u>	<u>(420,088)</u>
Net cash used in financing activities	<u>(1,106,142)</u>	<u>(805,280)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(35,433)	(1,872,991)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>722,243</u>	<u>2,595,234</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 686,810</u>	<u>\$ 722,243</u>

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

Attachment 5

SHIN ZU SHING CO., LTD. 2023 Earnings Distribution Statement

Unit: NT\$

Item	Subtotal	Total
Undistributed earnings at the beginning of the period		9,046,994,799
Net Income of 2023	807,404,024	
Treasury stock retired		
Defined benefit plan remeasurement amount recognized as retained earnings	471,090	
The total amount of after-tax net income for the period and other items adjusted to the current year's undistributed earnings other than after-tax net income for the period	17,387,600	
The amount of net profit after tax for the period plus items other than net profit for the period included in the 2023's undistributed earnings		825,262,714
Legal Reserve (10%) special reserve		(82,526,271) (25,930,972)
Items for distribution:		9,763,800,270
Dividends to shareholders -- cash -- earnings@2.50	(469,370,865)	(469,370,865)
Undistributed earnings at the end of the period		9,294,429,405

Note 1: In the current earnings distribution, priority is given to the current year's earnings.

2: The distributed amount of cash dividend per share is calculated on the basis of the 187,748,346 issued shares for which change registration has been completed on March 31, 2024.

Chairman: Lu, Sheng-Nan

CEO: Juan,Chao-Tsung

Head of accounting: Fan, Ya-Fen

Appendix 1

SHIN ZU SHING CO., LTD.

Articles of Incorporation

Chapter 1. General Principles

Article 1. The Company is incorporated according to the Company Act and is named "SHIN ZU SHING CO., LTD." The English name is SHIN ZU SHING CO., LTD.

Article 2. The business scope of the Company is as follows:

1. Manufacturing and sales of various wire and plate springs.
2. Manufacturing and sales of various precision steel molds, hardware machinery, electronic parts, computer parts, and auto parts.
3. Assembly, manufacturing and sales of various precision components.
4. Manufacturing, processing and trading of various screws (metal).
5. Manufacturing, processing and trading of various loose-proof, leak-proof sealant, and fixing glues (metal screws).
6. Hard-welding processing, R&D, manufacturing and trading of aerospace and motorcycle parts.
7. Hard welding processing, manufacturing and trading of air conditioners, refrigerating air conditioners and their components.
8. Manufacturing and trading of plate heat exchangers.
9. Manufacturing and trading of catalytic converters.
10. Vacuum brazing processing, manufacturing and trading of insulation series products (insulation cups, thermos bottles, insulation plates, insulation pots, incubators, etc.).
11. Operation of heat treatment business.
12. The import and export trade business of the previous products.
13. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3. The Company is headquartered in New Taipei City, Taiwan, and

may establish domestic or foreign branches subject to the board of directors' approval.

Article 4. The public announcements made by the Company shall be published in accordance with the provisions of the Company Act.

Article 4-1. The Company may engage in external reinvestment due to business needs, and may be a limited liability shareholder of another company through the resolution of the board of directors, and its total investment may be exempt from the relevant reinvestment quota stipulated in Article 13 of the Company Act.

Article 4-2. The Company may provide external guarantees.

Chapter 2. Shares

Article 5. The Company's authorized capital is set at NT\$2.5 billion divided into twenty-five million shares, all of which are ordinary shares, at ten New Taiwan dollars per share; the board of directors is authorized to issue unissued shares in installments.

NT\$100 million is retained from the total capital in the first paragraph and divided into 10 million shares each with a denomination of NT\$10, for the issuance of employee stock options, and the board of directors is authorized to issue such options in installments in accordance with the Company Act and relevant laws and regulations.

Article 5-1. The Company may only issue employee stock options at an exercise price lower than the market price of ordinary shares on the day of issuance after gaining the approval of two thirds of the votes represented by the attending shareholders during a shareholders' meeting where the attending shareholders represent over half of the total number of issued shares.

Before transferring shares to employees at a price lower than the average with which the shares were repurchased, the Company shall gain the approval of two thirds of the votes represented by the attending shareholders during the most recent shareholders meeting where the attending shareholders represent over half of the total number of issued shares.

Article 6. Deleted.

Article 7. The printed share certificates of the Company shall be affixed with the signature or seal of the director representing the Company, and shall be legally authenticated by a bank competent to serve as attester for the issuance of share certificates before issuance. When

the Company issues new stocks, it is exempt from printing stocks, but it should contact the securities centralized custody institution for registration.

Article 8. The Company's matters related to stock affairs are handled in accordance with the Company Act and the Regulations Governing the Administration of Shareholder Services of Public Companies promulgated by the competent authority.

Article 8-1. If the Company needs to cancel publicly offered shares, the Company shall seek a special resolution during a shareholders' meeting. This Article may not be revised while the Company's stock is traded on the Emerging Stock Market and TWSE/TPEX.

Chapter 3. Shareholders' Meetings

Article 9. The Company holds general and extraordinary shareholders' meetings. General meetings are to be held once every year and shall be convened within six months after the close of each fiscal year by the board of directors in accordance with the law. Extraordinary meetings will be held according to the law whenever necessary.

Article 9-1. Shareholders' meetings shall be convened by written notice stating the date, place, and purpose dispatched to each shareholder and announced at least 30 days, in the case of ordinary meetings, and 15 days, in the case of extraordinary meetings, prior to the date set for such meeting.

With the consent of the addressee, the meeting notice may be given in electronic form. For shareholders holding less than 1,000 registered shares, the meeting notice in the preceding paragraph may be made by way of public announcement.

Article 10. If a shareholder is unable to attend the shareholders' meeting in person, a proxy may be appointed by presenting a properly sealed proxy form printed in the Company's prescribed format, while specifying the scope of delegated authority. The method for proxy attendance, except as otherwise provided by the Company Act, is understood to be handled in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" promulgated by the competent authority.

Article 11. Each share is entitled to one vote, except when the shares are restricted shares or are deemed non-voting shares under Paragraph 2, Article 179 of the Company Act.

Article 12. Unless otherwise required by relevant laws and regulations, shareholders' resolutions shall be adopted by at least a majority of the votes of shareholders present personally or by proxy at a shareholders' meeting who hold a majority of all issued and outstanding shares of the Company.

Article 12-1. Deleted.

Article 12-2. Deleted.

Article 12-3. The resolutions of the shareholders' meeting shall be recorded and handled in accordance with Article 183 of the Company Act.

Chapter 4. Directors and Audit Committee

Article 13. The Company has seven to nine directors (no less than three independent directors), with a term of three years, who can be re-elected. The election of directors adopts the nomination system of candidates, and the shareholders' meeting elects director from the list of candidates.

The total number of shares of the Company's registered shares held by all directors shall be handled in accordance with the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies" issued by the competent authority.

The professional qualifications, shareholding, restrictions on concurrent positions, nomination and election methods and other compliance matters of independent directors shall be handled in accordance with relevant laws and regulations.

Article 13-1. The Company may establish an audit committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee shall comprise of all independent directors and shall be responsible for exercising the powers of supervisors under the Company Act, the Securities and Exchange Act, and other applicable laws.

Article 14. The board of directors is formed by directors, and a chairperson shall be elected by over half of directors during a board meeting with two thirds or more of all directors in attendance from among themselves. The chairperson represents the Company externally.

Board meetings shall be convened on a quarterly basis, and directors shall be notified of a board meeting convened with proper statement of the causes seven days in advance. However, in case of any emergency, a board meeting may be convened at any time.

Notifications of board meetings as in the preceding paragraph may

be in writing or via email or fax.

When a director appoints other directors to attend board meetings on his/her behalf, he/she shall issue a power of attorney and list the authorization scope with regard to the reason for convening each time.

Board meetings may be convened via video conferencing. Directors that attend board meetings via video conferencing will be deemed to have attended the meeting in person.

Article 14-1. Unless otherwise provided by the Company Act, the adoption of a resolution shall require the approval of over half of attending directors of a Board meeting attended by the over half of directors.

Article 15. If the Chairman is on leave or for any reason cannot discharge his duties, his/her acting proxy shall be elected in accordance with relevant regulations of the Company Act.

Article 16. The board of directors is authorized to execute the company's business. All matters shall be resolved by the board of directors, except for matters stipulated by the Company Act or the Company's Articles of Incorporation that shall be resolved by the shareholders' meeting.

Article 16-1. The remuneration of all directors of the Company, regardless of operating profit or loss, shall be paid based on generally accepted standards and as authorized by the board of directors in accordance with the extent of their participation in the Company's operations and the value of their contribution.

With regard to the remuneration of independent directors, the board of directors is also authorized to determine a reasonable remuneration different from that of general directors.

Article 16-2. The Company may purchase liability insurance for the directors who are liable for compensation in accordance with the law with respect to the scope of their business execution during their term of service.

Article 16-3. The board of directors of the Company may set up a remuneration committee or other functional committees due to the needs of business operations.

Chapter 5. Managers

Article 17. The Company may establish several manager positions, and the appointment, dismissal, and remuneration of managers shall be in accordance with relevant provisions of the Company Act.

Chapter 6. Final accounts and profit distribution

Article 18. The Company prepares final accounts at the end of each fiscal year, and the board of directors compiles the following documents and submits them to the shareholders' meeting for ratification in accordance with the legal procedures.

1. Business Report
2. Financial Statements
3. Earnings distribution or loss replenishment proposals.

Article 19. If the Company has profits for the year (the so-called profits refer to profit before tax) before deduction of employee remuneration and directors' remuneration, no less than 2% shall be allocated for employee remuneration and no more than 2% for director's remuneration. However, if the company still has accumulated losses (including adjustments to the amount of undistributed earnings), it shall reserve the amount of compensation for accumulated losses in advance, and then calculate the provisions based on the remaining balance.

Employees of subsidiaries of the company meeting certain requirements may be entitled to receive the aforementioned remuneration in the form of cash or shares. The remuneration of the directors in the preceding paragraph can only be paid in cash.

All matters related to the payment of employee remuneration and directors' remuneration are handled in accordance with relevant laws and regulations, determined by the board of directors, and reported to the shareholders' meeting.

Article 20. If there is any surplus in the final accounts of the Company for each fiscal year, it shall be distributed in the following order:

1. Withholding taxes.
2. Making up for losses, if any.
3. Withdraw 10% as the statutory reserve (except when the statutory reserve has reached the total capital).
4. Allocation or reversal of a special reserve in accordance with laws or regulations.
5. If any Income remains, a proposal for distribution of the remainder together with undistributed profits in the previous years as shareholders' dividends and bonuses shall be prepared by the board of directors and then submitted to the shareholders' meeting for resolution.

- Article 20-1. Deleted.
- Article 20-2. The Company is currently in the stage of operating growth, and must use retained earnings to meet operating growth and investment needs. At this stage, it adopts a residual dividend policy.
- In order to meet the needs of business expansion and industry growth, the Company's future dividend policy will be based on the Company's future capital expenditure budget and considerations of capital needs. Earnings can be distributed in the form of cash dividends or stock dividends, but the cash dividend must not be less than 10% of total dividends.

Chapter 7. Appendix

- Article 21. Any matters not addressed in the Articles of Incorporation shall be governed by the Company Act.
- Article 21-1. Deleted.
- Article 22. These Articles of Incorporation were established on May 10, 1968
- The first revision was on November 3, 1974
 - The second revision was on August 25, 1977
 - The third revision was on August 20, 1979
 - The fourth revision was on September 15, 1981
 - The fifth revision was on September 25, 1982
 - The sixth revision was on November 25, 1982
 - The seventh revision was on January 16, 1983
 - The eighth revision was on June 1, 1986
 - The ninth revision was on November 22, 1989
 - The tenth revision was on December 17, 1989
 - The eleventh revision was on August 15, 1994
 - Twelfth revised on March 15, 1995
 - The thirteenth revision was on December 2, 1996
 - The fourteenth revision was on May 15, 1997
 - The fifteenth revision was on September 15, 1997
 - The sixteenth revision was on June 15, 1999
 - The seventeenth revision was on December 31, 2000
 - The eighteenth revision was on December 25, 2001
 - The nineteenth revision was on June 20, 2002
 - The twentieth revision was on December 30, 2002
 - The twenty-first revision was on September 19, 2003
 - The twenty-second revision was on April 30, 2004
 - The twenty-third revision was on March 22, 2005
 - The twenty-fourth revision was on March 22, 2005
 - The twenty-fifth revision was on November 9, 2005
 - The twenty-sixth revision was on May 24, 2006
 - The twenty-seventh revision was on June 13, 2007
 - The twenty-eighth revision was on June 13, 2008
 - The twenty-ninth revision was on June 19, 2009

The thirtieth revision was on June 17, 2010
The thirty-first revision was on June 15, 2011
The thirty-second revision was on June 15, 2012
The thirty-third revision was on June 13, 2013
The thirty-fourth revision was on June 12, 2014
The thirty-fifth revision was on June 15, 2016
The thirty-sixth revision was on June 22, 2017
The thirty-seventh revision was on June 21, 2018
The thirty-eighth revision was on June 18, 2019

SHIN ZU SHING CO., LTD.

Chairman: Sheng-Nan Lu

Appendix 2

SHIN ZU SHING CO., LTD.

Rules of Procedure for the Shareholders' Meeting

Article 1: To establish a strong governance system and sound supervisory capabilities for the Company's shareholders' meetings, as well as to strengthen management capabilities, these Rules are adopted pursuant to Article 6 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Unless otherwise provided by law and regulations, the Company's shareholders' meetings shall proceed according to these Rules.

Article 2: The shareholders mentioned in these rules refer to the shareholders themselves or the agents entrusted by the shareholders to attend shareholders' meetings as listed in the shareholders' register.

For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company 5 days before the date of the shareholders' meeting. When proxy forms are delivered repeatedly, the one received earliest shall prevail. unless a declaration is made to cancel the previous proxy appointment.

Article 3: Unless otherwise provided by law or regulations, the Company's shareholders' meetings shall be convened by the Board of Directors.

The convening of the regular shareholders meeting shall be notified to all shareholders 30 days in advance. For shareholders holding less than 1,000 registered shares, announcement may be made by entering the information on the Market Observation Post System (MOPS) 30 days in advance. The convening of the extraordinary shareholders meeting shall be notified to all shareholders 15 days in advance. For shareholders holding less than 1,000 registered shares, announcement may be made by entering the information on the MOPS 15 days in advance. The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement.

Election or dismissal of directors, amendments to the Articles of

Incorporation, capital reduction, application for cessation of status as a public company, removal of non-compete clause for directors, capitalization of profits, capitalization of reserve, dissolution, merger, or demerger of the company, or any matter under each Subparagraph of Paragraph 1, Article 185 of the Company Act and Articles 26-1 and 43-6 of the Securities and Exchange Act shall be set out in the notice of the reasons for convening the shareholders' meeting along with descriptions of their main content. None of the above matters may be raised by an extraordinary motion.

Article 4: Where shareholders' meetings are convened by the board of directors, they shall be chaired by the chairperson of the board. When the chairperson is absent or unable to exercise his/her duty for any reason, the chairperson shall appoint a director as acting chairperson. If the chairperson does not appoint an acting chairperson, the directors should select an acting chairperson from among themselves. If the shareholders' meeting is convened by a person entitled to do so other than the chairperson, that person shall act as the chair. If two or more persons are entitled to call the shareholders' meeting, those persons shall elect one person to act as the chair.

The chair of the preceding paragraph is a person who is represented by a director who has served for more than six months and understands the company's financial business conditions. The same applies if the chair is the representative of an institutional director.

The shareholders' meeting convened by the board of directors should be attended by more than half of the directors of the board of directors.

Article 5: Venue of shareholders' meetings shall be where the Company is located or a different location convenient for shareholders to attend and for the meeting to be held with a commencement time no earlier than 9:00 a.m. or later than 3:00 p.m. The place and time of convening the meeting shall take into full consideration the opinions of independent directors.

Article 6: The Company shall specify in the notice of meeting the time and location of the place of registration for shareholders, as well as other matters that attention should be paid to.

The time for accepting shareholder registration should be at least 30 minutes before the start of the meeting; the registration area should be clearly marked, and adequate and competent personnel should be sent to handle the procedures.

Shareholders themselves or proxies appointed by shareholders (hereinafter referred to as shareholders) shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.

When attending the shareholders' meeting, attending shareholders should sign in the attendance book or hand in the sign-in card in lieu of signing in. Attendance and voting at a shareholders' meeting shall be calculated based the number of shares.

The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

The Company shall furnish attending shareholders with the meeting procedures manual, annual report, attendance card, speech notes, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

Article 7: When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. If a proxy appointed by a shareholder to attend is a legal person, the legal person may only appoint one person to attend the shareholders meeting.

In the event an institutional shareholder assigns two or more representatives to attend the shareholders' meeting, only one of the representatives may speak on any single agenda item.

Article 8: The chair shall announce the commencement of the meeting when the scheduled time arrives. If the number of shareholders present represent less than half of all voting rights, the chair may delay the meeting. A meeting may be delayed twice for a combined maximum of one hour. If after two postponements the number of shareholders present is still insufficient while representing at least one third of the total issued shares, provisional resolutions may be adopted in accordance with Article 175 Paragraph 1 of the Company Act. However, for special resolutions stipulated by the Company Act, the resolutions shall be made in accordance with the provisions of the Company Act.

If prior to the end of the meeting the shareholders present represent at least half of the total issued shares, the chair may resubmit the provisional resolutions adopted by the meeting for a vote in accordance with Article 174 of the Company Act.

Article 9: The agenda of a shareholders' meeting convened by the board of directors shall be decided by the board. The meeting shall proceed according to the agenda unless changed by a shareholders' meeting resolution.

The above provision applies mutatis mutandis to cases where the meeting is convened by any person, other than the board of directors, entitled to convene such meeting.

Unless by the resolution of the shareholders' meeting, the chair may not declare the meeting adjourned until all items on the agenda (including extraordinary motions) arranged as per the preceding two paragraphs have been completed. However, when disorder or other circumstances make it difficult for the meeting to proceed normally, the chair may announce the adjournment of the meeting. During a shareholders' meeting, if a meeting is declared adjourned due to violation of the rules of procedure by the chair, attending shareholders may elect a chair to resume the meeting with the consent of one half of the votes represented by shareholders present. The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.

Article 10: Before speaking, an attending shareholder must specify on a speech note the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. Where attending shareholders submit speech notes but do not make a statement, they are deemed to not have spoken; if the contents of the statement do not conform to the contents of the speech note, the contents of the statement shall govern.

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

Unless permitted by the chair, no shareholder may speak more than twice regarding the same proposal (including reported items, discussions, elections, and extraordinary motions), and shall not speak for more than five minutes each time. If a shareholder violates the rules outlined in the preceding paragraph or goes beyond the scope of proposals in speaking, the chair may stop him/her from speaking.

After a shareholder present at the meeting speaks, the chair may reply in person or assign relevant personnel to reply.

Article 11: With respect to resolutions of shareholders' meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

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

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

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 12: Unless otherwise provided by the Company Act or the Articles of Incorporation, a proposal shall be approved by the consent of more than half of the votes of shares represented by shareholders present. In voting, a proposal is considered approved if the chair receives no dissenting opinions after requesting, which has the same effect as voting by ballot. When voting, the chair or a designated person shall announce the total voting rights of the shareholders present on a case-by-case basis.

When the Company holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means; When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to extraordinary motions and amendments to original proposals of that meeting.

Where there is an amendment or an alternative for a proposal, the chairperson shall determine the order in which they are to be voted on with the original proposal. When any one of them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 13: Vote monitoring and counting personnel for the voting on a proposal shall

be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

The counting of votes for shareholders' meetings or election proposals shall be done in a public place at the shareholders' meeting, and after the counting of votes is completed, the voting results shall be announced on the spot, including statistical weights, and shall be recorded.

Article 14: The Company may designate retained lawyers, certified public accountants or relevant personnel to attend the shareholders' meeting.

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

Article 15: The Company shall record and video the shareholder registration process, the meeting process, and the vote counting process from the moment of accepting the registration of shareholders. The audio-visual materials mentioned in the preceding paragraph shall be kept for at least one year. However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 16: While the shareholders' meeting is in session, the chair may at his/her discretion allocate and announce time for breaks. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

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

A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

Article 17: The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site.

The ballots for the election referred to in the preceding Paragraph shall be sealed with the signatures of the vote monitoring personnel and kept in proper custody for at least 1 year. However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 18: The chair may instruct the proctors (or security personnel) to assist in

maintaining order in the meeting venue. While assisting in maintaining order at the venue, the proctors (or security personnel) shall wear arm-bands reading "Proctor."

When a shareholder violates the Rules of Procedure and defies the chair's admonitions, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder out of the meeting.

Article 19: Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting.

For shareholders holding less than 1,000 registered shares, the Company may distribute the meeting minutes of the preceding Paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of the Company.

The resolution method in the preceding paragraph is based on the chair's consultation with shareholders. If the shareholders have no objection to the proposal, it should be stated that the resolution has been "approved by the chairman's consultation with all shareholders present without objection"; however, when shareholders disagree with the proposal, the method of voting and the number of voting rights and the ratio of the number of voting rights should be stated.

Article 20: On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders' meeting.

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

Article 21: Matters not covered in these Rules shall be handled at the chair's discretion.

Article 22: These Rules shall come into force upon the approval of the shareholders' meeting, as shall any amendment.

Appendix 3

SHIN ZU SHING CO., LTD.

Shareholdings of Directors

Title	Name	Number of shares held	Percentage (%)
Chairman	Sheng-Nan Lu	17,154,346	9.14%
Director	Chao-Tsung Juan	419,244	0.22%
Director	Yu-Chi Lu	-	-
Director	Ying-Fu Mao	-	-
Director	Cheng-Han Hsieh	-	-
Director	Bo-Ming Yang	-	-
Independent Director	Chi-Fa Cheng	-	-
Independent Director	Yuan-Long Chang	-	-
Independent Director	Mei-Hui Li	-	-
Total		17,573,590	9.36%

- I. In accordance with the provisions of the "Regulations Governing Content and Compliance Requirements for Shareholders' Meeting Agenda Handbooks of Public Companies," the number of shares held by all directors of the Company as recorded in the shareholder register (see the above table) on the ex-dividend date (April 9, 2023) shall be disclosed.
- II. According to Article 2 of the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies", the minimum number of shares that all directors should hold is 11,264,900 shares.
- III. The number of shares held by all directors complies with the law.