



Stock Code: 2201

**2025 Annual Shareholder's Meeting
Agenda Handbook**



**INNOVATION
SPEED
TEAMWORK**

Date: May 27, 2025

Location: 1F, No. 3, Sec. 3, ZhongXing Rd.,
Xindian Dist., New Taipei City
(Amphitheater Dome)

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YULON MOTOR CO., LTD

Agenda of Annual Meeting of Shareholders in 2025

Time: 9:00 a.m., May 27 (Tuesday), 2025

Location: 1F, No. 3, Sec. 3, Zhongxing Rd., Xindian Dist., New Taipei City (Amphitheater Dome)

Meeting format: Face-to-face shareholders' meeting

- Agenda:
- I. Call the Meeting to Order
 - II. Chairperson Remarks
 - III. Company Reports
 - 1. 2024 Business Report.
 - 2. Audit Committee's Review Report on the 2024 Financial Statements.
 - 3. Distributions of employees' and directors' compensation of 2024.
 - 4. Endorsement and guarantee for external parties
 - 5. Report on the company's acquisition or disposal of assets conducted with the related parties
 - 6. Report on the transactions conducted between the company and related parties
 - 7. Report on the company's conversion of convertible corporate bonds
 - IV. Proposals
 - 1. Adoption of the 2024 Financial Statements.
 - 2. Adoption of the Proposal for Distribution of 2024 Profits.
 - V. Discussion
 - 1. Amendment and restatement of Articles of Incorporation in part.
 - VI. Elections
 - 1. Election of the Directors of Session 18th
 - VII. Other Matters
 - 1. Cancellation of non-competition restrictions on the directors of the 18th meeting.
 - VIII. Extempore Motions
 - IX. Adjournment

Company Reports

1. 2024 Business Report.

YULON MOTOR CO., LTD

Business Report



Hello everyone. Welcome shareholders, ladies and gentlemen to the 2025 Annual General Shareholders' Meeting of Yulon Motor Co., Ltd. We hereby present the company's 2024 operating results and the business outlook for 2025.

I. 2024 operating results

In 2024, total vehicle sales in Taiwan reached approximately 457,000 units, with domestic vehicle sales totaling 237,000 units, representing a 6% decline compared to the previous year. Affected by the market slowdown, the company's annual production also saw a slight decrease of 1%, reaching 23,600 units.

The Company's consolidated revenue reached NTD 85.776 billion, with a net profit after tax of NTD 6.928 billion and earnings per share (EPS) of NTD 3.78. Revenue increased by NTD 3.655 billion compared to the previous year, primarily driven by the strong sales performance of the LUXGEN, which contributed NTD 5.929 billion in revenue.

In terms of products, after years of joint development with our brand-owning client, the Company successfully launched Taiwan's first domestically produced electric vehicle, the LUXGEN n7. It received strong market attention during the pre-order period and gained wide recognition after its official launch, marking a milestone in Yulon's transition toward electrification.

On the other hand, since its opening in 2023, Yulon City Shopping Mall has delivered stable operating performance, generating steady rental income. As the largest mixed-use shopping complex in New Taipei City, Yulon City has not only successfully driven local foot traffic and business opportunities but also represents a significant milestone in the Company's expansion from manufacturing into the retail sector.

In the energy sector, cumulative shipments reached 1.9 GWh as of 2024, reflecting steady expansion and growing customer trust. In addition, the Company's self-developed 250 kWh energy storage cabinet obtained both domestic and international safety certifications in 2024, highlighting the achievements in our energy development efforts.

The Company has continued to implement sustainable management and corporate governance. As of 2024, it has been ranked in the top 5% of the "Corporate Governance Evaluation" for ten consecutive years and has been selected as a constituent stock of the "Taiwan Sustainability Index" for six consecutive years, demonstrating its strong governance capabilities and long-term commitment to sustainability.

II. 2025 Business Outlook and Future Operations

In terms of product strategy, based on its existing models, the LUXGEN is scheduled to launch an AWD version in the third quarter and is simultaneously planning the development of new models to further expand its product lineup and enhance market penetration. The NISSAN will also introduce annual model updates and special edition vehicles to strengthen sales momentum.

In new energy manufacturing, the Company is developing a battery module assembly line and continuing to expand its contract manufacturing services from automotive applications to energy storage products. By deepening its manufacturing capabilities, the Company aims to advance into high value-added energy technologies and enhance its long-term competitiveness and industry positioning.

In diversifying its presence in the international energy and battery industries, a North American energy storage manufacturing facility is scheduled to begin operations this year. Amid ongoing global tariff realignments, this facility—being one of the few in the U.S. capable of immediate mass production and local supply—is positioned as a key site for capturing energy storage opportunities in the North American market. At the same time, efforts are being made to evaluate energy investment and strategic cooperation opportunities in emerging Southeast Asian markets, including the Philippines, with the aim of expanding international energy operations and strengthening long-term growth momentum.

To complete the industry value chain, the Company is evaluating the extension of services into battery repair and testing, with the aim of enhancing after-sales and circular application capabilities. Building on the existing foundation in photovoltaic and energy storage contract manufacturing, vertical integration within the value chain is expected to strengthen the Company's technological depth and service scope in the energy sector. Depending on market demand and technological maturity, strategic partnerships will be pursued to jointly promote the development of a battery recycling and reuse system in Taiwan, with the goal of establishing a sustainable solution.

In terms of asset utilization, building on the revitalization experience of Yulon City, the Company will continue to identify high-potential assets and establish a stable income structure through property development and optimized leasing strategies. Regarding ESG, the Company promotes shared value between business and society by integrating innovation, value, and responsibility as its three core principles. It is also actively expanding employee engagement in local public welfare initiatives to strengthen the influence of corporate culture.

In the future, Yulon will continue to uphold the philosophy of sustainable management and strive to create greater value for its shareholders, employees, and society. We sincerely thank all shareholders for their long-term support and encouragement. Wishing you good health and every success.

CEO: Yen Chen Li-Lien



Manager: Kuo-Hsing Hsu



Accounting Supervisor: Wen-Yi Lo



2. Audit Committee's Review Report on the 2024 Financial Statements.

YULON MOTOR CO., LTD Audit Committee's Review Report

The Board of Directors had duly worked out the Company's 2024 Business Report, Financial Statement (including Consolidated Financial Statement) and proposal for distribution of earnings. Among them, the Financial Statement (including Consolidated Financial Statement) have been duly audited by Certified Public Accountants Hsin-Wei Tai and Pei-De Chen of Deloitte and Touche Tohmatsu International Taiwan who have duly issued the Audit Report. The aforementioned Business Report, Financial Statement (including Consolidated Financial Statement) and proposal for distribution of earnings have been duly reviewed by us, the Undersigned Audit Committee and prove authentic to the facts. In accordance with Article 14-4 of Securities and Exchange Act and Article 219 of Company Act, we have duly worked out the present Report and hereby submit the same for verification.

Best regards

2025 Regular Shareholders' Meeting

YULON MOTOR CO., LTD

Convener of the Auditing Committee: Yen-Chin, Tsai



March 14, 2025

3. Distributions of employees' and directors' compensation of 2024.

- (1) As expressly provided for in Article 27 of the Company's Articles of Incorporation, with the earnings made by the Company in a year, if any, the remuneration shall be first withheld for employees and directors, with the remuneration to directors not higher than 0.5% maximum and with remuneration to employees not below 0.1% minimum.
- (2) The net income before tax and before appropriating remuneration to employees and directors was NTD 4,402.75 million in 2024. According to Article 27 of the Company's Articles of Incorporation, it is proposed to appropriate an amount equivalent to 1.1358% of the aforementioned amount as remuneration to employee, that is, NTD 50 million; in addition, appropriate an amount equivalent to 0.4997% of the aforementioned amount as remuneration to directors, that is, NTD 22 million. The aforementioned remuneration to employees and director has been approved by the Remuneration Committee and the Board of Directors, which is to be paid in cash.

4. Report about the endorsements/guarantees rendered by the Company externally

Here at the Company as of December 31, 2024, the amount disbursed for external endorsements/guarantees amounted to NTD 803.72 million. The highest amount for endorsements/guarantees granted to a single enterprise amounted to NTD 550 million. The aggregate total of the aforementioned endorsements/guarantees amounted to NTD 4.02393 billion, well satisfactory to the requirements set forth under Article IV of the Company's "Regulations Governing Management over Endorsements/ Guarantees" which reads: The aggregate total of endorsements/ guarantees granted by the Company shall not exceed the maximum limit of 75% of the Company's net worth and the amount of endorsements/ guarantees granted to a single enterprise shall not exceed 40% of the aggregate total of endorsements/guarantees. The details of guarantee are as enumerated below:

YULON MOTOR CO., LTD

Itemized statement of amounts in endorsements/guarantees:

December 31, 2024

Expressed in Ten Thousand NT Dollars

Counterparts	Credit limits for guarantees	Amounts substantially disbursed
Esinn Co., Ltd	21,000	-
Luxgen Motor Co., Ltd.	220,000	55,000
Yuea Ching Business Co., Ltd.	50,000	-
Sin Chi Co., Ltd.	50,000	-
UNIVATION MOTOR PHILIPPINES, INC.	16,393	5,372
Electrified Luxgen Motor Co., Ltd.	20,000	20,000
New Luxgen North Motor Co., Ltd.	10,000	-
New Luxgen Central Motor Co., Ltd.	3,750	-
Luxgen Tainan Motor Co., Ltd.	3,750	-
New Luxgen South Motor Co., Ltd.	7,500	-
Total	402,393	80,372

5. Report on the company's acquisition or disposal of assets conducted with the related parties

According to the company's "Regulations Governing Related Party Transactions", please refer to the table below for the execution of the company's material acquisition or disposal of assets with related parties in 2024:

Board resolution date	Items	Related party	Transaction
2024/3/7	The company's acquisition of real property (buildings) from a related party	Fortune Motors Co., Ltd.	Pursuant to the provisions of the land lease agreement, both parties have agreed to advance the transfer of the building to the Company for its use at no cost, and the title transfer was completed on April 2, 2024.

6. Report on the transactions conducted between the company and related parties

According to the company's "Regulations Governing Related Party Transactions", please refer to the table below for the execution of the company's material purchases and sales conducted with the related parties in 2024:

Expressed in Ten Thousand NT Dollars

Related party	Nature	Actual transaction amount
Nissan Motor Co., Ltd.	Purchase	848,520
Yulon Nissan Motor Co., Ltd.	Sales	1,863,243

7. Report on the company's conversion of convertible corporate bonds

The company issued the 3rd domestic unsecured convertible corporate bonds to repay debts and improve the financial structure. It has been reported to the Financial Supervisory Commission effectively with Letter No. Financial-Supervisory-Securities-Corporate 11203377942 on April 19, 2023 for a total issuance amount of NTD 7 billion. Also, it has been traded on the Taipei Exchange (TPEX) starting from May 25, 2023. Please refer to the table below for the relevant issuance status as of the publication date of the annual report:

Type of corporate bonds	The 3rd domestic unsecured convertible corporate bond (bond code: 22013)
Issue Date	May 25, 2023
Face value	NTD 100,000
Issuing price	Issued at 102% of the face amount
Total amount	NTD 7 billion
Interest rate	Coupon rate 0%
Maturity	5-year term: Maturity date: 5/25/2028
Trustee	Bank SinoPac
Consignee	KGI Securities Co., Ltd.
Repayment Methods	Unless the convertible corporate bonds are converted to the company's common stock shares by the holders in accordance with Article 10 of the company's third issuance of domestic unsecured convertible corporate bonds and conversion regulations (hereinafter referred to as the regulations), the put right has been exercised in accordance with Article 19 of the regulations, the company has the convertible corporate bond redeemed in advance in accordance with Article 18 of the regulations, or the company has the convertible corporate bonds bought back from the Taipei Exchange and then has them cancelled, the company will repay the bonds in cash at a rate of 102.5251% of the face amount of the bonds (the real yield rate is 0.5%) on the mature day of the bonds.
Outstanding principal	NTD 6,999,900,000
Clause on redemption or earlier redemption	Please refer to the prospectus for the convertible corporate bonds.
Number of common stock shares converted as of the publication date of the annual report.	1,251 shares
Progress on the use of funds	The company has the use of funds completed in 2023Q4 in accordance with the original capital utilization plan.

Proposals

Motion No. 1

Proposed by the Board

Proposal: adoption of the 2024 Financial Statements.

Explanation:

1. The Company's 2024 Financial Statement had been duly audited by Certified Public Accountants Hsin-Wei Tai and Pei-De Chen of Deloitte Touche Tohmatsu International Taiwan. The aforementioned Financial Statement along with the Business Report have been completed in the review process by the Company's Audit Committee who proves the contents authentic and duly issues the Audit Report.
2. Please find enclosed herewith the Company's 2024 Business Report (Please refer to page 2–3) and Financial Statement. Please refer to Attachment 1 and 2 (page 16–37).
3. Please acknowledge as proposed

Decision resolved:

Motion No. 2

Proposed by the Board

Proposal: adoption of the Proposal for Distribution of 2024 Profits.

Explanation:

1. On the grounds of the Company's 2024 final account statement, the net profit made by the Company after tax in that year amounted to NTD 3.95468 billion and the earnings per share amounted to NTD 3.78. In accordance with Article 228 of the Company's Articles of Incorporation, given the consideration of the Company's future business plans amidst potential change, as well as the funding needs and changes in the industrial ambiance, taking into account shareholders' equity and long-term financial programming, we duly plan the Company's 2024 Surplus Distribution Table. Please refer to Attachment 3 (page 38) for the contents of the said Table.
2. The distribution of dividends is to be processed in accordance with Article 27 of the Company's Articles of Incorporation. Dividends are distributed in the form of cash or shares for an amount to be proposed by the board of directors and resolved in the shareholders' meeting. For the Company in 2024, the cash dividend is proposed to be distributed at NTD 1.3 per share. It is further scheduled that August 29, 2025 be the base day for cash dividends distribution.
3. Regarding the present distribution of the Company's earnings, in the event that the number of the Company's outstanding shares as of the base day for dividends distribution is affected due to the Company's conversion of convertible bonds into common shares, repurchase of shares or transfer of treasury shares to employees, it is proposed that the shareholders' meeting authorize the Chairman to duly adjust the rate of dividends to be distributed to shareholders based on the amount of cash dividends as resolved for the present distribution.
4. Please acknowledge as proposed

Decision resolved:

Discussion

Motion No. 1

Proposed by the Board

Subject: proposal for partial amendment to the Company's "Articles of Incorporation."

Explanation:

1. It is proposed to partially amend the Company's "Articles of Incorporation" in response to the amendments to the Securities and Exchange Act.
2. For Table of Contents Before and After Amendment in Comparison, please refer to Attachment 4 (Page 39).
3. The issue is duly presented for discussion.

Decision resolved:

Elections

Motion No. 1

Proposed by the Board

Subject: For the elections of the Directors of Session 18th.

Explanation:

1. The Company's directors (including independent directors) for the 17th term of office will expire on June 30, 2025. According to the Company's Articles of Incorporation, nine (9) directors (including three independent directors) are to be elected for the 18th term of office for three years from July 1, 2025 to June 30, 2028.
2. According to Article 14 of the Company's Articles of Incorporation, a candidate nomination system is adopted for the election of directors (including independent directors). The list of candidates for the election of directors has been approved by the Company's Board of Directors on March 6, 2025. Please refer to Attachment 5 (Page 40-42) for the information related to the candidates' education, work experience and others.
3. Please elect as proposed.

Election results:

Other Matters

Motion No. 1

Proposed by the Board

Subject: proposal to lift the Directors of Session 18th from prohibition of business strife.

Explanation:

1. Pursuant to Article 209 of the Company Act, a proposal may be made to the shareholders' meeting to lift the Directors of Session 18th from the prohibition of business strife.
2. A director newly elected into Session 18th of the Company, is very likely to serve with a company that engages in business items that is the same as the Company's or to serve with an investee invested by the Company or a strategic alliance or a joint venture in a capacity of a director or a manager. All such facts are given the account of the business performance and adequate usage of talent expertise. The concurrent jobs so served are completely to meet the business needs. In the very premise of no impairment to the Company's interests, it is proposed that the prohibition of business strife should be lifted from him based on the aforementioned laws.
3. The issue is duly presented for discussion.

Decision resolved:

Questions and Motions

Adjournment of the meeting

Attachment 1

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Yulon Motor Company Ltd.

Opinion

We have audited the accompanying financial statements of Yulon Motor Company Ltd. (the “Company”), which comprise the balance sheets as of December 31, 2024 and 2023, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, 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, 2024. 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.

Key audit matters of the Company’s financial statements for the year ended December 31, 2024 are stated as follows:

Estimated Impairment of Trade Receivable from Invested Subsidiary (Yulon Finance Co, Ltd.)

As described in Note 5, the determination of the estimated impairment of trade receivables of the Company’s horizontal segments subsidiary - Yulon Finance Co., Ltd. - takes into consideration the present value of estimated future cash flows based on assumptions about the risk of default and expected loss rates. Yulon Finance Co., Ltd. uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on Yulon Finance Co., Ltd.’s historical experience, existing market conditions as well as forward-looking

estimates as of the end of each reporting period. When the actual future cash inflows are less than expected, a material impairment loss may arise. The key assumptions and inputs used involved significant management judgment and estimation uncertainty; thus, the estimated impairment of trade receivable from Yulon Finance Co, Ltd is determined as a key audit matter.

Our audit procedures included the following:

1. We understood the policies on impairment of trade receivables and assessed the reasonableness of impairment of receivables by performing inquiry, inspection and reperformance of related internal controls.
2. We tested Yulon Finance Co., Ltd.'s system that generated related documents used by management in the evaluation and determination of default rate and expected loss rate; the tests verified the correctness of the assumptions used in the determination of default rate and expected loss rate.
3. We recalculated the impairment based on the impairment policy.

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 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, 2024 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 Hsin-Wei Tai and Pei-De Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 14, 2025

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.

YULON MOTOR COMPANY LTD.

BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents	\$ 2,048,915	3	\$ 2,133,848	3
Financial assets at fair value through profit or loss	157,081	-	50,140	-
Financial assets at amortized cost	229,495	-	-	-
Notes and trade receivables	1,096	-	10,254	-
Notes and trade receivables from related parties	576,575	1	340,738	-
Other receivables	256,234	-	292,715	-
Inventories	8,460,037	10	8,997,530	10
Non-current assets held for sale	-	-	2,425,100	3
Other current assets	157,926	-	240,125	-
Total current assets	11,887,359	14	14,490,450	16
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss	67,765	-	71,985	-
Financial assets at fair value through other comprehensive income	609,385	1	507,848	1
Investments accounted for using the equity method	53,256,496	61	51,800,475	58
Property, plant and equipment	7,851,203	9	7,647,402	9
Right-of-use assets	10,287	-	4,532	-
Investment properties	13,015,563	15	13,070,842	15
Intangible assets	111,558	-	78,627	-
Deferred tax assets	287,191	-	383,000	-
Net defined benefit assets	137,860	-	1,849	-
Other non-current assets	287,315	-	799,163	1
Total non-current assets	75,634,623	86	74,365,723	84
TOTAL	\$ 87,521,982	100	\$ 88,856,173	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings	\$ 2,000,000	2	\$ 2,100,000	2
Short-term bills payable	2,194,041	3	1,994,820	2
Financial liabilities at fair value through profit or loss	45,499	-	7,699	-
Trade payables	1,203,934	1	904,006	1
Trade payables to related parties	525,340	1	1,002,029	1
Other payables	894,951	1	1,328,053	2
Current tax liabilities	109,031	-	-	-
Lease liabilities	3,640	-	1,306	-
Current portion of bonds payable	-	-	3,000,000	4
Current portion of long-term borrowings	1,700,000	2	750,000	1
Other current liabilities	301,260	-	302,597	-
Total current liabilities	8,977,696	10	11,390,510	13
NON-CURRENT LIABILITIES				
Bonds payable	8,399,907	10	8,313,968	9
Long-term borrowings	2,900,000	3	5,045,000	6
Long-term bills payable	-	-	999,673	1
Deferred tax liabilities	2,591,246	3	2,511,731	3
Lease liabilities	6,726	-	3,310	-
Deposits received	590,925	1	674,557	1
Other non-current liabilities	1,796	-	2,928	-
Total non-current liabilities	14,490,600	17	17,551,167	20
Total liabilities	23,468,296	27	28,941,677	33
EQUITY				
Share capital				
Ordinary shares	10,700,013	12	10,700,013	12
Capital surplus	16,067,891	18	16,051,927	18
Retained earnings				
Legal reserve	9,211,967	10	8,769,623	10
Special reserve	20,078,565	23	20,078,565	22
Unappropriated earnings	6,691,197	8	4,426,508	5
Total retained earnings	35,981,729	41	33,274,696	37
Other equity				
Exchange differences on translation of foreign operations	111,464	-	(1,227,435)	(2)
Unrealized gain on financial assets at fair value through other comprehensive income	1,576,971	2	1,491,596	2
Loss on hedging instruments	(8,081)	-	-	-
Treasury shares	1,680,354	2	264,161	-
	(376,301)	-	(376,301)	-
Total equity	64,053,686	73	59,914,496	67
TOTAL	\$ 87,521,982	100	\$ 88,856,173	100

YULON MOTOR COMPANY LTD.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE				
Sales	\$ 23,461,948	91	\$ 23,352,322	93
Other operating revenue	<u>2,448,234</u>	<u>9</u>	<u>1,870,216</u>	<u>7</u>
Total operating revenue	<u>25,910,182</u>	<u>100</u>	<u>25,222,538</u>	<u>100</u>
OPERATING COSTS				
Cost of goods sold	23,191,209	89	22,912,274	91
Other operating costs	<u>158,127</u>	<u>1</u>	<u>83,337</u>	<u>-</u>
Total operating costs	<u>23,349,336</u>	<u>90</u>	<u>22,995,611</u>	<u>91</u>
GROSS PROFIT	2,560,846	10	2,226,927	9
UNREALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES	<u>(7,073)</u>	<u>-</u>	<u>(10,239)</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>2,553,773</u>	<u>10</u>	<u>2,216,688</u>	<u>9</u>
OPERATING EXPENSES				
Selling and marketing expenses	122,402	-	122,200	-
General and administrative expenses	1,539,614	6	1,395,510	6
Research and development expenses	<u>147,012</u>	<u>1</u>	<u>151,240</u>	<u>1</u>
Total operating expenses	<u>1,809,028</u>	<u>7</u>	<u>1,668,950</u>	<u>7</u>
PROFIT FROM OPERATIONS	<u>744,745</u>	<u>3</u>	<u>547,738</u>	<u>2</u>
NON-OPERATING INCOME AND EXPENSES				
Other income	65,133	-	36,415	-
Interest income	86,195	-	89,275	-
Finance costs	(333,197)	(1)	(368,080)	(1)
Other gains and losses	306,995	1	7,554	-
Share of profit of subsidiaries, associates and joint ventures	<u>3,460,878</u>	<u>14</u>	<u>4,491,428</u>	<u>18</u>
Total non-operating income and expenses	<u>3,586,004</u>	<u>14</u>	<u>4,256,592</u>	<u>17</u>
PROFIT BEFORE INCOME TAX	4,330,749	17	4,804,330	19
INCOME TAX EXPENSE	<u>376,070</u>	<u>2</u>	<u>113,807</u>	<u>1</u>

(Continued)

YULON MOTOR COMPANY LTD.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
NET PROFIT FOR THE YEAR	\$ 3,954,679	15	\$ 4,690,523	18
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	120,863	1	94	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	45,561	-	33,024	-
Share of the other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method	<u>169,307</u>	<u>1</u>	<u>88,471</u>	<u>1</u>
	<u>335,731</u>	<u>2</u>	<u>121,589</u>	<u>1</u>
Items that may be reclassified subsequently to profit or loss:				
Share of the other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using the equity method	<u>1,330,818</u>	<u>5</u>	<u>(451,271)</u>	<u>(2)</u>
	<u>1,330,818</u>	<u>5</u>	<u>(451,271)</u>	<u>(2)</u>
Other comprehensive income (loss) for the year, net of income tax	<u>1,666,549</u>	<u>7</u>	<u>(329,682)</u>	<u>(1)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	\$ <u>5,621,228</u>	<u>22</u>	\$ <u>4,360,841</u>	<u>17</u>
EARNINGS PER SHARE				
Basic	\$ <u>3.78</u>		\$ <u>4.63</u>	-
Diluted	\$ <u>3.58</u>		\$ <u>4.45</u>	-

(Concluded)

YULON MOTOR COMPANY LTD.

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	Share Capital	Capital Surplus	Retained Earnings			Other Equity				
			Legal Reserve	Special Reserve	Undistributed Earnings (Accumulated Deficit)	Exchange Differences on Translating Foreign Operations	Unrealized Gain on Financial Assets at Fair Value Through Other Comprehensive Income	Loss on Hedging Instruments	Treasury Shares	Total Equity
BALANCE, JANUARY 1, 2023	\$ 10,000,000	\$ 7,923,262	\$ 8,769,623	\$ 22,228,565	\$ (1,146,938)	\$ (776,164)	\$ 1,508,886	\$ -	\$ (376,301)	\$ 48,130,933
Appropriation of 2022 earnings										
Special reserve	-	-	-	(2,150,000)	2,150,000	-	-	-	-	-
Cash dividends distributed by the Company (NT\$0.93 per share)	-	-	-	-	(1,000,000)	-	-	-	-	(1,000,000)
Equity component of convertible bonds issued by the Company	-	573,028	-	-	-	-	-	-	-	573,028
Change in equity from investments in subsidiaries, associates and joint ventures accounted for by using equity method	-	2,864,604	-	-	(332,865)	-	-	-	-	2,531,739
Change in the Company's capital surplus due to the distribution of dividends to subsidiaries	-	7,034	-	-	-	-	-	-	-	7,034
Change in equity from the differences between the consideration received or paid and the carrying amount of the subsidiaries' net assets during disposal or acquisition	-	14,057	-	-	(68,197)	-	-	-	-	(54,140)
Changes in percentage of ownership interests in subsidiaries	-	512,626	-	-	(4,894)	-	-	-	-	507,732
Issuance of ordinary share for cash	700,000	4,051,222	-	-	-	-	-	-	-	4,751,222
Convertible bonds	13	81	-	-	-	-	-	-	-	94
Employee share options	-	106,013	-	-	-	-	-	-	-	106,013
Net profit for the year ended December 31, 2023	-	-	-	-	4,690,523	-	-	-	-	4,690,523
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	22,746	(451,271)	98,843	-	-	(329,682)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	4,713,269	(451,271)	98,843	-	-	4,360,841
Associates disposed the investments in equity instruments designed as at fair value through other comprehensive income	-	-	-	-	41,837	-	(41,837)	-	-	-
Disposed the investments in equity instruments designed as at fair value through other comprehensive income	-	-	-	-	74,296	-	(74,296)	-	-	-
BALANCE, DECEMBER 31, 2023	10,700,013	16,051,927	8,769,623	20,078,565	4,426,508	(1,227,435)	1,491,596	-	(376,301)	59,914,496
Appropriation of 2023 earnings										
Legal reserve	-	-	442,344	-	(442,344)	-	-	-	-	-
Cash dividends distributed by the Company (NT\$1.4 per share)	-	-	-	-	(1,498,002)	-	-	-	-	(1,498,002)
Change in equity from investments in subsidiaries, associates and joint ventures accounted for by using equity method	-	5,599	-	-	-	-	-	-	-	5,599
Claim for the disgorgement	-	20	-	-	-	-	-	-	-	20
Change in the Company's capital surplus due to the distribution of dividends to subsidiaries	-	10,536	-	-	-	-	-	-	-	10,536
Change in equity from the differences between the consideration received or paid and the carrying amount of the subsidiaries' net assets during disposal or acquisition	-	17	-	-	-	-	-	-	-	17
Changes in percentage of ownership interests in subsidiaries	-	(208)	-	-	-	-	-	-	-	(208)
Net profit for the year ended December 31, 2024	-	-	-	-	3,954,679	-	-	-	-	3,954,679
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	155,527	1,338,899	180,204	(8,081)	-	1,666,549
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	4,110,206	1,338,899	180,204	(8,081)	-	5,621,228
Associates disposed the investments in equity instruments designed as at fair value through other comprehensive income	-	-	-	-	87,896	-	(87,896)	-	-	-
Disposed the investments in equity instruments designed as at fair value through other comprehensive income	-	-	-	-	6,933	-	(6,933)	-	-	-
BALANCE, DECEMBER 31, 2024	<u>\$ 10,700,013</u>	<u>\$ 16,067,891</u>	<u>\$ 9,211,967</u>	<u>\$ 20,078,565</u>	<u>\$ 6,691,197</u>	<u>\$ 111,464</u>	<u>\$ 1,576,971</u>	<u>\$ (8,081)</u>	<u>\$ (376,301)</u>	<u>\$ 64,053,686</u>

YULON MOTOR COMPANY LTD.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 4,330,749	\$ 4,804,330
Adjustments for:		
Depreciation expense	642,009	618,262
Amortization expense	19,378	22,447
Net loss on fair value change of financial assets and liabilities designated as at fair value through profit or loss	47,752	7,769
Finance costs	333,197	368,080
Interest income	(86,195)	(89,275)
Dividend income	(38,978)	(31,013)
Compensation costs of employee share options	-	106,013
Share of profit of subsidiaries, associates and joint ventures	(3,460,878)	(4,491,428)
Loss (gain) on disposal of property, plant and equipment	632	(8)
Gain on disposal of investments accounted for using the equity method	(341,123)	-
Impairment loss recognized on non-financial assets	40,250	31,873
Unrealized (gain) loss on the transactions with subsidiaries, associates and joint ventures	(3,731)	761,813
Unrealized loss (gain) on foreign currency exchange	52,541	(15,358)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(107,589)	281,700
Notes and trade receivable	(226,679)	110,326
Other receivables	42,037	(81,444)
Inventories	497,829	(498,304)
Other current assets	45,828	(82,412)
Other operating assets	(31,001)	(436,993)
Trade payables	(197,614)	(285,564)
Other payables	(431,179)	(184,244)
Other current liabilities	(1,337)	(51,359)
Net defined benefit assets and liabilities	(16,997)	(24,608)
Other operating liabilities	(1,132)	120,021
Cash generated from operations	1,107,769	960,624
Interest received	73,473	88,994
Interest paid	(248,810)	(317,637)
Income tax paid	(15,673)	(73,954)
Net cash generated from operating activities	916,759	658,027
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(56,618)	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	667	1,840,558
Purchase of financial assets at amortized cost	(220,597)	-

(Continued)

YULON MOTOR COMPANY LTD.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

	2024	2023
Proceeds from disposal of financial assets at amortized cost	\$ -	\$ 582,673
Acquisition of investments accounted for using equity method	-	(3,725,287)
Acquisition of subsidiaries	(19,009)	(7,085,933)
Net cash inflow on disposal of subsidiary	2,945,287	-
Proceeds from the capital reduction of investments accounted for using the equity method	535,454	1,239,744
Acquisition of property, plant and equipment	(223,976)	(283,356)
Proceeds from disposal of property, plant and equipment	216	8
Payments for intangible assets	(15,938)	(14,937)
Payments for investment properties	(21,775)	(848,287)
Dividends received	<u>2,752,738</u>	<u>2,917,195</u>
Net cash generated from (used in) investing activities	<u>5,676,449</u>	<u>(5,377,622)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of short-term borrowings	(100,000)	(700,000)
Proceeds from short-term bills payable	199,221	599,984
Repayment of long-term bills payable	(1,000,000)	-
Issuance of convertible bonds	-	7,136,606
Repayment of bonds	(3,000,000)	(3,600,000)
Proceeds from long-term borrowings	2,900,000	5,045,000
Repayment of long-term borrowings	(4,095,000)	(7,750,000)
Decrease in guarantee deposits received	(83,632)	(213,601)
Payments for lease	(1,565)	(1,343)
Dividends paid	(1,498,002)	(1,000,000)
Proceeds from issuance of ordinary shares	-	4,751,222
Claim for the disgorgement	<u>20</u>	<u>-</u>
Net cash (used in) generated from financing activities	<u>(6,678,958)</u>	<u>4,267,868</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>817</u>	<u>211</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(84,933)	(451,516)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>2,133,848</u>	<u>2,585,364</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 2,048,915</u>	<u>\$ 2,133,848</u>

(Concluded)

Attachment 2

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Yulon Motor Company Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Yulon Motor Company Ltd. (the “Company”) and its subsidiaries (collectively the “Group”) as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and related 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, 2024 and 2023, 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, 2024. 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.

Key audit matters of the Group’s consolidated financial statements for the year ended December 31, 2024 are stated as follows:

Estimated Impairment of Trade Receivable

As described in Note 5, the determination of the estimated impairment of trade receivable of the Group's 's horizontal segments subsidiary - Yulon Finance Co., Ltd. - takes into consideration the present value of estimated future cash flows based on assumptions about the risk of default and expected loss rates. Yulon Finance Co., Ltd. uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on Yulon Finance Co., Ltd.'s historical experience, existing market conditions as well as forward-looking estimates as of the end of each reporting period. When the actual future cash inflows are less than Yulon Finance Co., Ltd.'s expected, a material impairment loss may arise. The key assumptions and inputs used involved significant management judgment and estimation uncertainty; thus, the estimated impairment of trade receivable is determined as a key audit matter.

Our audit procedures included the following:

1. We understood the policies on impairment of trade receivable and assessed the reasonableness of impairment of receivables by performing inquiry, inspection and reperformance of related internal controls.
2. We tested Yulon Finance Co., Ltd.'s system that generated related documents used by management in the evaluation and determination of default rate and expected loss rate; the tests verified the correctness of the assumptions used in the determination of default rate and expected loss rate.
3. We recalculated the impairment based on the impairment policy of the Group.

Other Matter

Yulon Motor Company Ltd. has prepared individual financial statements for years 2024 and 2023, and the audit report issued by the accountant with an unqualified opinion is in the case of reference.

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 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, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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, 2024 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 Hsin-Wei Tai and Pei-De Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 14, 2025

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.

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents	\$ 14,015,471	4	\$ 14,812,708	4
Financial assets at fair value through profit or loss	527,298	-	584,801	-
Financial assets at fair value through other comprehensive income	133,787	-	100,268	-
Financial assets at amortized cost	6,064,950	2	4,913,203	1
Notes and trade receivable	189,284,173	50	205,089,969	53
Notes and trade receivable from related parties	1,075,831	-	729,571	-
Finance lease receivables	29,184,410	8	27,159,193	7
Other receivables	9,602,916	2	6,234,337	2
Inventories	13,203,401	3	12,923,208	3
Assets directly associated with disposal groups classified as held for sale	-	-	9,126,954	2
Other current assets	3,273,494	1	3,079,932	1
Incremental costs of obtaining a contract	2,546,235	1	3,494,500	1
Total current assets	268,911,966	71	288,248,644	74
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss	94,396	-	252,031	-
Financial assets at fair value through other comprehensive income	977,693	-	784,303	-
Financial assets at amortized cost	2,493,010	1	1,414,875	-
Investments accounted for using the equity method	27,258,493	7	26,905,270	7
Property, plant and equipment	49,179,702	13	44,658,230	12
Right-of-use assets	3,110,363	1	2,500,731	1
Investment properties	14,104,762	4	14,054,167	4
Goodwill	427,434	-	427,434	-
Vehicle model development cost	56,605	-	99,089	-
Other intangible assets	577,701	-	515,988	-
Deferred tax assets	2,092,045	1	2,143,440	1
Long-term finance lease receivables	1,853,161	-	1,748,381	-
Refundable deposits	390,564	-	447,025	-
Other non-current assets	6,287,455	2	3,544,218	1
Total non-current assets	108,903,384	29	99,495,182	26
TOTAL	\$ 377,815,350	100	\$ 387,743,826	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings	\$ 53,769,666	14	\$ 46,927,705	12
Short-term bills payable	156,848,388	42	171,312,001	44
Financial liabilities at fair value through profit or loss	218,253	-	70,054	-
Derivative financial liabilities for hedging	68,189	-	-	-
Notes and trade payables	3,416,148	1	3,497,591	1
Notes and trade payable to related parties	886,126	-	1,179,954	1
Other payables	5,082,371	1	6,297,133	2
Current tax liabilities	977,597	-	1,064,407	-
Provisions	30,143	-	82,506	-
Liabilities directly associated with disposal groups classified as held for sale	-	-	4,541,928	1
Lease liabilities	815,411	-	620,704	-
Current portion of bonds payable	15,657,594	4	20,470,743	5
Current portion of long-term borrowings	2,991,120	1	1,899,848	1
Other current liabilities	17,389,293	5	15,740,099	4
Total current liabilities	258,150,299	68	273,704,673	71
NON-CURRENT LIABILITIES				
Bonds payable	8,399,907	2	8,313,968	2
Long-term borrowings	8,773,244	2	9,569,045	3
Provisions	542,301	-	342,506	-
Deferred tax liabilities	5,188,173	2	4,817,117	1
Lease liabilities	2,068,155	1	1,674,834	-
Net defined benefit liabilities	105,334	-	155,976	-
Investments accounted for using the equity method in credit	-	-	2,860	-
Other non-current liabilities	476,547	-	410,597	-
Total non-current liabilities	25,553,661	7	25,286,903	6
Total liabilities	283,703,960	75	298,991,576	77
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Share capital				
Ordinary shares	10,700,013	3	10,700,013	3
Capital surplus	16,067,891	4	16,051,927	4
Retained earnings				
Legal reserve	9,211,967	3	8,769,623	3
Special reserve	20,078,565	5	20,078,565	5
Unappropriated earnings	6,691,197	2	4,426,508	1
Total retained earnings	35,981,729	10	33,274,696	9
Other equity				
Exchange differences on translation of foreign operations	111,464	-	(1,227,435)	-
Unrealized gain on financial assets at fair value through other comprehensive income	1,576,971	-	1,491,596	-
Loss on hedging instruments	(8,081)	-	-	-
Total other equity	1,680,354	-	264,161	-
Treasury shares	(376,301)	-	(376,301)	-
Total equity attributable to owners of the Company	64,053,686	17	59,914,496	16
NON-CONTROLLING INTERESTS	30,057,704	8	28,837,754	7
Total equity	94,111,390	25	88,752,250	23
TOTAL	\$ 377,815,350	100	\$ 387,743,826	100

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE				
Sales	\$ 44,274,111	52	\$ 40,650,715	50
Rental revenue	12,421,836	14	10,913,480	13
Service revenue	3,302,448	4	3,437,851	4
Other operating revenue	<u>25,777,651</u>	<u>30</u>	<u>27,118,633</u>	<u>33</u>
Total operating revenue	<u>85,776,046</u>	<u>100</u>	<u>82,120,679</u>	<u>100</u>
OPERATING COSTS				
Cost of goods sold	40,615,490	47	36,911,448	45
Rental cost	9,414,039	11	8,632,097	11
Service cost	2,048,284	2	1,960,288	2
Other operating cost	<u>6,817,024</u>	<u>8</u>	<u>5,752,953</u>	<u>7</u>
Total operating costs	<u>58,894,837</u>	<u>68</u>	<u>53,256,786</u>	<u>65</u>
GROSS PROFIT	26,881,209	32	28,863,893	35
REALIZED (UNREALIZED) GAIN ON TRANSACTIONS WITH ASSOCIATES AND JOINT VENTURES	<u>920</u>	<u>-</u>	<u>(1,908)</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>26,882,129</u>	<u>32</u>	<u>28,861,985</u>	<u>35</u>
OPERATING EXPENSES				
Selling and marketing expenses	8,447,798	10	9,040,884	11
General and administrative expenses	6,626,517	8	6,219,735	8
Research and development expenses	293,841	-	231,050	-
Expected credit loss	<u>4,244,724</u>	<u>5</u>	<u>4,778,808</u>	<u>6</u>
Total operating expenses	<u>19,612,880</u>	<u>23</u>	<u>20,270,477</u>	<u>25</u>
PROFIT FROM OPERATIONS	<u>7,269,249</u>	<u>9</u>	<u>8,591,508</u>	<u>10</u>
NON-OPERATING INCOME AND EXPENSES				
Other income	854,451	1	844,465	1
Other gains and losses	452,224	1	554,575	1
Finance costs	(467,457)	(1)	(601,884)	(1)
Share of profit of associates and joint ventures accounted for by the equity method	847,078	1	1,032,178	1
Interest income	<u>385,062</u>	<u>-</u>	<u>371,034</u>	<u>1</u>
Total non-operating income and expenses	<u>2,071,358</u>	<u>2</u>	<u>2,200,368</u>	<u>3</u>

(Continued)

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
NET PROFIT BEFORE INCOME TAX	\$ 9,340,607	11	\$ 10,791,876	13
INCOME TAX EXPENSE	<u>2,412,880</u>	<u>3</u>	<u>2,297,646</u>	<u>3</u>
NET PROFIT FOR THE YEAR	<u>6,927,727</u>	<u>8</u>	<u>8,494,230</u>	<u>10</u>
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	187,155	1	49,815	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	183,989	-	43,520	-
Share of the other comprehensive income of associates and joint ventures accounted for by the equity method	<u>23,982</u>	<u>-</u>	<u>33,876</u>	<u>-</u>
	<u>395,126</u>	<u>1</u>	<u>127,211</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	1,295,289	1	(340,155)	-
Loss on hedging instruments not subject to basis adjustment	(8,092)	-	-	-
Share of the other comprehensive income (loss) of associates and joint ventures accounted for by the equity method	<u>563,806</u>	<u>1</u>	<u>(240,387)</u>	<u>-</u>
	<u>1,851,003</u>	<u>2</u>	<u>(580,542)</u>	<u>-</u>
Other comprehensive income (loss) for the year, net of income tax	<u>2,246,129</u>	<u>3</u>	<u>(453,331)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 9,173,856</u>	<u>11</u>	<u>\$ 8,040,899</u>	<u>10</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 3,954,679	5	\$ 4,690,523	6
Non-controlling interests	<u>2,973,048</u>	<u>3</u>	<u>3,803,707</u>	<u>4</u>
	<u>\$ 6,927,727</u>	<u>8</u>	<u>\$ 8,494,230</u>	<u>10</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				

(Continued)

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
Owners of the Company	\$ 5,621,228	7	\$ 4,360,841	5
Non-controlling interests	<u>3,552,628</u>	<u>4</u>	<u>3,680,058</u>	<u>5</u>
	<u>\$ 9,173,856</u>	<u>11</u>	<u>\$ 8,040,899</u>	<u>10</u>
EARNINGS PER SHARE				
Basic	<u>\$3.78</u>		<u>\$4.63</u>	
Diluted	<u>\$3.58</u>		<u>\$4.45</u>	

(Concluded)

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company											
	Retained Earnings					Other Equity				Non-controlling Interests	Total Equity	
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings (Accumulated Deficits)	Exchange Differences on Translation of Foreign Operations	Unrealized Gain on Financial Assets at Fair Value Through Other Comprehensive Income	Loss on Hedging Instruments	Treasury Shares			Total
BALANCE, JANUARY 1, 2023	\$ 10,000,000	\$ 7,923,262	\$ 8,769,623	\$ 22,228,565	\$ (1,146,938)	\$ (776,164)	\$ 1,508,886	\$ -	\$ (376,301)	\$ 48,130,933	\$ 24,380,919	\$ 72,511,852
Appropriation of the 2022 earnings												
Special reserve	-	-	-	(2,150,000)	2,150,000	-	-	-	-	-	-	-
Cash dividends distributed by the Company (NT\$0.93 per share)	-	-	-	-	(1,000,000)	-	-	-	-	(1,000,000)	-	(1,000,000)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	(2,017,755)	(2,017,755)
Equity component of convertible bonds issued by the Company	-	573,028	-	-	-	-	-	-	-	573,028	-	573,028
Change in equity from investments in associates and joint ventures accounted for by using equity method	-	2,864,604	-	-	(332,865)	-	-	-	-	2,531,739	(388,785)	2,142,954
Change in the Company's capital surplus due to the distribution of dividends to subsidiaries	-	7,034	-	-	-	-	-	-	-	7,034	-	7,034
Change in equity from the differences between the consideration received or paid and the carrying amount of the subsidiaries' net assets during disposal or acquisition	-	14,057	-	-	(68,197)	-	-	-	-	(54,140)	421,641	367,501
Changes in percentage of ownership interests in subsidiaries	-	512,626	-	-	(4,894)	-	-	-	-	507,732	629,226	1,136,958
Issuance of ordinary share for cash	700,000	4,051,222	-	-	-	-	-	-	-	4,751,222	-	4,751,222
Convertible bonds	13	81	-	-	-	-	-	-	-	94	-	94
Employee share options	-	106,013	-	-	-	-	-	-	-	106,013	-	106,013
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	2,132,450	2,132,450
Net profit for the year ended December 31, 2023	-	-	-	-	4,690,523	-	-	-	-	4,690,523	3,803,707	8,494,230
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	22,746	(451,271)	98,843	-	-	(329,682)	(123,649)	(453,331)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	4,713,269	(451,271)	98,843	-	-	4,360,841	3,680,058	8,040,899
Associates disposed the investments in equity instruments designed as at fair value through other comprehensive income	-	-	-	-	41,837	-	(41,837)	-	-	-	-	-
Disposed the investments in equity instruments designed as at fair value through other comprehensive income	-	-	-	-	74,296	-	(74,296)	-	-	-	-	-
BALANCE, DECEMBER 31, 2023	10,700,013	16,051,927	8,769,623	20,078,565	4,426,508	(1,227,435)	1,491,596	-	(376,301)	59,914,496	28,837,754	88,752,250
Appropriation of the 2023 earnings												
Legal reserve	-	-	442,344	-	(442,344)	-	-	-	-	-	-	-
Cash dividends distributed by the Company (NT\$1.4 per share)	-	-	-	-	(1,498,002)	-	-	-	-	(1,498,002)	-	(1,498,002)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	(2,335,129)	(2,335,129)
Change in equity from investments in associates and joint ventures accounted for by using equity method	-	5,599	-	-	-	-	-	-	-	5,599	-	5,599
Claim for the disgorgement	-	20	-	-	-	-	-	-	-	20	-	20
Change in the Company's capital surplus due to the distribution of dividends to subsidiaries	-	10,536	-	-	-	-	-	-	-	10,536	-	10,536
Change in equity from the differences between the consideration received or paid and the carrying amount of the subsidiaries' net assets during disposal or acquisition	-	17	-	-	-	-	-	-	-	17	-	17
Changes in percentage of ownership interests in subsidiaries	-	(208)	-	-	-	-	-	-	-	(208)	2,451	2,243
Net profit for the year ended December 31, 2024	-	-	-	-	3,954,679	-	-	-	-	3,954,679	2,973,048	6,927,727
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	155,527	1,338,899	180,204	(8,081)	-	1,666,549	579,580	2,246,129
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	4,110,206	1,338,899	180,204	(8,081)	-	5,621,228	3,552,628	9,173,856
Associates disposed the investments in equity instruments designed as at fair value through other comprehensive income	-	-	-	-	87,896	-	(87,896)	-	-	-	-	-
Disposed the investments in equity instruments designed as at fair value through other comprehensive income	-	-	-	-	6,933	-	(6,933)	-	-	-	-	-
BALANCE, DECEMBER 31, 2024	\$ 10,700,013	\$ 16,067,891	\$ 9,211,967	\$ 20,078,565	\$ 6,691,197	\$ 111,464	\$ 1,576,971	\$ (8,081)	\$ (376,301)	\$ 64,053,686	\$ 30,057,704	\$ 94,111,390

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 9,340,607	\$ 10,791,876
Profit and loss		
Depreciation expense	9,574,978	8,625,485
Amortization expense	2,530,715	3,394,974
Net loss (gain) on fair value change of financial assets and liabilities designated as at fair value through profit or loss	160,174	(2,199)
Finance costs	5,643,904	5,511,127
Interest income	(23,303,482)	(24,961,247)
Dividend income	(47,119)	(36,663)
Compensation cost of employee share options of subsidiaries	-	106,013
Share of profit of subsidiaries, associates and joint ventures	(847,078)	(1,032,178)
Gain on disposal of property, plant and equipment	(83,934)	(118,724)
Loss on disposal of intangible assets	-	4,482
Gain on disposal of investments accounted for using the equity method	(663,600)	(120,357)
Impairment loss (reversed) recognized on non-financial assets	(66,747)	273,556
Expected credit loss recognized on trade receivables	4,244,724	4,778,808
Unrealized (gain) loss on transactions with associates and joint ventures	(920)	1,908
(Gain) loss on foreign currency exchange	(211,741)	15,053
Gain on modification of lease	(1,506)	(6,314)
Reversal of provisions	(28,142)	(14,999)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	110,608	(75,211)
Notes and trade receivable	12,828,248	(14,291,760)
Other receivables	(6,371,267)	(1,622,867)
Inventories	(267,617)	(3,605,477)
Other current assets	(48,199)	302,515
Finance lease receivables	(958,968)	(4,010,050)
Available-for-operating-lease assets	(9,787,679)	(11,002,577)
Incremental cost of obtaining a contract	(1,448,104)	(3,001,343)
Notes and trade payable	(583,390)	(799,132)
Other payables	(934,913)	(318,071)
Provisions	201,782	(42,851)
Guarantee deposits received	1,486,741	1,369,596
Other current liabilities	30,597	190,178
Accrued pension liabilities	114,133	25,236
Other operating liabilities	(3,380)	(10,288)
Cash generated from (used in) operations	609,425	(29,681,501)
Interest received	26,624,288	24,002,028
Interest paid	(5,807,729)	(5,514,767)
Income tax paid	(2,017,510)	(1,761,489)

(Continued)

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
Net cash generated from (used in) operating activities	\$ 19,408,474	\$ (12,955,729)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(75,728)	(1,076)
Proceeds from sale of financial assets at fair value through other comprehensive income	10,193	78,445
Purchase of financial assets at amortized cost	(8,922,533)	(6,016,055)
Proceeds from sale of financial assets at amortized cost	7,119,422	5,437,602
Acquisition of investments accounted for using the equity method	-	(5,301,671)
Net cash inflow on disposal of investments accounted for using the equity method	-	456,726
Net cash inflow on acquisition of subsidiaries	-	190,341
Net cash inflow on disposal of subsidiary	4,099,561	-
Proceeds from capital reduction of investments accounted for using equity method	-	114,741
Payments for property, plant and equipment	(2,480,388)	(1,905,355)
Proceeds from disposal of property, plant and equipment	912,046	604,067
Decrease in refundable deposits	53,385	12,101
Payments for intangible assets	(163,323)	(65,067)
Proceeds from disposal of intangible assets	60	6,093
Payments for right-of-use assets	(6,427)	(4,100)
Payments for investment properties	(24,766)	(849,644)
Increase in other operating assets	(4,454,569)	(50,069)
Dividends received	1,151,288	1,502,711
Net cash used in investing activities	(2,781,779)	(5,790,210)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	214,276,802	199,507,851
Repayment of short-term borrowings	(210,146,562)	(213,817,762)
Proceeds from short-term bills payable	509,971,687	464,781,460
Repayment of short-term bills payable	(524,319,823)	(431,764,185)
Proceeds from issuance of bonds payable	-	19,651,513
Repayment of bonds payable	(4,950,000)	(13,738,000)
Proceeds from long-term borrowings	49,012,285	43,213,567
Repayment of long-term borrowings	(48,964,798)	(52,934,921)
Increase (decrease) in guarantee deposits	34,380	(204,437)
Repayment of lease liabilities	(760,908)	(657,555)
Proceeds from issuance of ordinary shares	-	4,751,222
Dividends paid	(3,778,811)	(2,995,114)
Change in non-controlling interests	(16)	2,166,926
Claim for the disgorgement	20	-

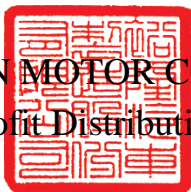
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YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
Net cash (used in) generated from financing activities	\$ (19,625,744)	\$ 17,960,565
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>634,816</u>	<u>(136,256)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,364,233)	(921,630)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>16,379,704</u>	<u>17,301,334</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 14,015,471</u>	<u>\$ 16,379,704</u>
	2024	2023
CASH AND CASH EQUIVALENTS IN THE CONSOLIDATED BALANCE SHEETS	\$ 14,015,471	\$ 14,812,708
CASH AND CASH EQUIVALENTS INCLUDED IN NON-CURRENT ASSETS HELD FOR SALE	<u>-</u>	<u>1,566,996</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 14,015,471</u>	<u>\$ 16,379,704</u>

(Concluded)

Attachment 3**YULON MOTOR CO., LTD**
2024 Profit Distribution Table

Unit: NTD

Items	Total
Unappropriated retained earnings of prior years	2,486,161,227
Net profit after tax for the period	3,954,678,846
Add: Retained earnings adjusted due to investment in equity method	129,493,338
Add: defined benefits plan re-measurement recognized as retained earnings	120,863,147
The net profit after tax for the period plus the amount of the items other than net profit after tax for the period included in unappropriated earnings for the period	4,205,035,331
Appropriation of legal reserve	(420,503,533)
Earnings available for distribution for the period (includes Unappropriated retained earnings of prior years)	6,270,693,025
Distributable items	
Distribution of bonus to shareholders – Cash dividends (At NT\$1.3 per shares)	1,391,001,626
Undistributed earnings, ending of year	4,879,691,399

Note 1: Upon calculation under Article 66–9 of the Income Tax Act, that is, upon calculation of unappropriated retained earnings “upon extra levy of 5% of the profit-seeking enterprise income tax,” the earnings of the latest fiscal year shall be preferentially allocated.

Note 2: Cash dividends are distributed with a round up amount. The fractional share less than NT\$1 should be booked in the Company’s “Other income” account.

Chairman:



Manager:



Accounting Supervisor:



Attachment 4

Articles of Incorporation amendment before and after

After amendment	Current Article	Description
<p>Article 27: The Company shall amortize remuneration as enumerated below in a year with profit:</p> <ol style="list-style-type: none"> 1. (omitted) 2. The remuneration to employees shall not be below 0.1% minimum, <u>of which the portion allocated to employees other than managerial officers shall not be below 0.05%.</u> The aforementioned remuneration to employees shall be duly distributed in either stocks or in cash as resolved by the Board of Directors. The distribution of remuneration to employees and directors should be reported in the shareholders' meeting. 3. In case of accumulated loss, <u>the</u> amount to make up such loss shall be retained beforehand before distribution based on the percentages mentioned in the preceding <u>Subparagraphs</u>. 4. (omitted) 5. (omitted) 	<p>Article 27: The Company shall amortize remuneration as enumerated below in a year with profit:</p> <ol style="list-style-type: none"> 1. (omitted) 2. The remuneration to employees shall not be below 0.1% minimum. The aforementioned remuneration to employees shall be duly distributed in either stocks or in cash as resolved by the Board of Directors. The distribution of remuneration to employees and directors should be reported in the shareholders' meeting. 3. In case of accumulated loss. The amount to make up such loss shall be retained beforehand before distribution based on the percentages mentioned in the preceding Paragraphs. 4. (omitted) 5. (omitted) 	To comply with regulatory amendments
<p>Article 31: This Articles of Incorporation was created on July 23, 1953; the 1st amendment was made on October 23, 1954; ... (omitted); the 57rd amendment was made on May 31, 2023; <u>the 58rd amendment was made on May 27, 2025.</u></p>	<p>Article 31: This Articles of Incorporation was created on July 23, 1953; the 1st amendment was made on October 23, 1954; ... (omitted); the 57rd amendment was made on May 31, 2023.</p>	Add amendment date.

Attachment 5

List of candidates for directors

I. Candidates for directors

Name and shareholdings of juristic persons	Name of representatives	Education (work experience) of the representatives
Tai Yuen Textile Co., Ltd. Number of shares held : 186,508,584	Yen Chen Li-Lien Number of shares held : 34,174,253	Department of Physical Education, Chinese Culture University Chairman of YULON MOTOR CO., LTD Chairman of Tai Yuen Textile Co., Ltd. Chairman of China Motor Corporation Chairman of Yulon Nissan Motor Co., Ltd. Chairman of Yulon Finance Corporation
	Zhen-Xiang Yao Number of shares held : 50,000	Master of Business Administration, MIB Institute of Industrial Technology, Curtin University, Australia Vice Chairman of YULON MOTOR CO., LTD Director of Yen Ching-Ling's Foundation Director of Wen Yang Investment Co., Ltd Director of Yulon Finance Corporation
China Motor Corporation Number of shares held : 171,382,445	Shin-I Lin Number of shares held : 0	Department of Mechanical Engineering, National Cheng Kung University Director of China Motor Corporation Director of YULON MOTOR CO., LTD Managing and independent director of Shihlin Electric & Engineering Corporation Vice Premier of the Executive Yuan and Chairman of the Council for Economic Planning and Development Minister of Economy Chairman of Industrial Technology Research Institute
	Liang Zhang Number of shares held : 0	Ph.D. in Economics, State University of New York in Albany, USA. Director of YULON MOTOR CO., LTD Director of Yulon Finance Corporation Supervisor of Yulon-Administered Enterprises Company Limited Independent director of My Humble House Hospitality Management Consulting Independent director of Ho-Ping Power Company Independent Director of International CSRC Investment Holdings Co., Ltd.

Name and shareholdings of juristic persons	Name of representatives	Education (work experience) of the representatives
<p>Yen Ching-Ling's Foundation Number of shares held : 10,990,936</p>	<p>Kuo-Hsing Hsu Number of shares held : 801</p>	<p>Department of Mechanical Engineering at National Taiwan University of Science and Technology Director and President of YULON MOTOR CO., LTD Director of China Motor Corporation Director of Yulon Nissan Motor Co., Ltd. Vice Chairman of Yulon Finance Corporation Vice Chairman of Yulon Construction Co., Ltd.</p>
	<p>Chien-Shun Liao Number of shares held : 0</p>	<p>Master of Business Administration program, National Chengchi University Director of YULON MOTOR CO., LTD Director of Yulon Nissan Motor Co., Ltd. Director of Carplus Auto Leasing Corporation Vice President of Yulon-Administered Enterprises Company Limited</p>

II. Candidates for independent directors

Name	Education (Experience)
Yun-Hua Yang Number of shares held : 0	Ph.D. of Laws, University of Tübingen, Germany Professor of Law, National Chengchi University Member of the Legislative Affairs Committee of the Judicial Yuan Independent Director of China Motor Corporation Independent Director of Yulon Nissan Motor Co., Ltd. Independent director of Universal Vision Biotechnology Co., Ltd.
Chia-Jui Ou Number of shares held : 0	PhD in Transportation Engineering, National Chiao Tung University Independent Director of CWTC Independent Director of Formosa Chemicals & Fibre Corporation Chairman, CPC Corporation, Taiwan Director-General, Bureau of Energy, Ministry of Economic Affairs
Ming-Lei Chang Number of shares held : 0	Ph.D., Department of Accounting, National Taiwan University Director, Taiwan Cooperative Bank Independent Director, Chant Sincere Co., Ltd. Independent Director, BAUSEN Inc. Consultant, IFRS Committee, Accounting Research and Development Foundation

Appendix 1

YULON MOTOR CO., LTD Shareholdings of Directors

Base date: March 29, 2025

Unit: shares

Position	Name	Number of shares held	Shareholding percentages (%)	Remarks
Chairman	Yen Chen Li-Lien	186,508,584	17.43	Tai Yuen Textile Co., Ltd. Representative
Director	Kuo-Hsing Hsu			
Director	Shin-I Lin	171,382,445	16.02	China Motor Corporation Representative
Director	Liang Zhang			
Director	Zhen-Xiang Yao	10,990,936	1.03	Yen Ching-Ling's Foundation, Representative
Director	Chien-Shun Liao			
Independent Director	Zhong-Qi Zhou	-	-	
Independent Director	Yen-Chin, Tsai	-	-	
Independent Director	Yun-Hua Yang	-	-	
Total Directors' shareholding		368,881,965	34.48	

Note: Pursuant to provisions set forth under Article 26 of Securities and Exchange Act and the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the aggregate total number of shares by all directors of the Company shall not be below 3.2% minimum, that is, 32,000,000 shares. As of March 29, 2025, the aggregate total shares held by all directors of the Company were at the number of 368,881,965 shares (34.48%), well consistent with the legal requirements. The number of shares held by all directors of the Company is enumerated on the Table above.

Appendix 2

YULON MOTOR CO., LTD **Rules of Procedure for Shareholders' Meetings**

Article 1: The Company's shareholders' meetings shall be as provided in these Rules.

Article 2: A shareholder who participates in a shareholders' meeting either in person (or through a proxy) shall submit a sign-in card instead of the sign-in process in person. A sign-in card shall be taken as the basis in counting the participating shares.

The number of participating shares in a shareholders' meeting shall be counted based on the sign-in cards and registrations on the virtual meeting platform added with the voting powers exercised electronically.

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

Article 3: The chairperson shall call to order to the meeting when the total number of shares represented by the participating shareholders is in excess of one-second of the Company's total outstanding shares. In case of inadequate quorum when the time scheduled for a shareholders' meeting is over, the chairperson may announce a postponement for the meeting within the maximum limit of postponement twice. The total period accumulated by such postponements shall not exceed one hour maximum. If the quorum is not met after two postponements, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 4: If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding paragraphs (including Questions and Motions), except by a resolution of the shareholders' meeting. Where the chairperson violates these Shareholders' Meeting Procedure Rules by inappropriately announcing adjournment of the meeting, a new chairperson may be elected by one half majority of the attending shareholders to continue the meeting.

After the adjournment of the meeting is lawfully promulgated by the chairperson, the shareholders shall not elect another chairperson to continue the same meeting at the same venue or at a new venue.

- Article 5: Before speaking, an attending shareholder must specify on a speaker's slip his/her shareholder account number (or attendance card number), account name and the subject of the speech. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. Where the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.
- After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
- Article 6: Where a shareholder delivers a speech, a same shareholder (or proxy) shall not speak on the same issue more than twice, not more than five (5) minutes each time unless agreed upon by the chairperson.
- Article 7: When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.
- When a juristic person is appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal, and the provisions under the preceding article shall apply mutatis mutandis.
- Article 8: Whenever an attending shareholder speaks overtime or speaks beyond the specified scope or speaks discourteously. the chairperson may stop his or her speech.
- Other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.
- Article 9: During the discussion process, the chairperson may announce end of discussion and bring the issue into resolution process at an appropriate timepoint. The chairperson shall arrange a time adequate for the voting process. The chairperson may announce discontinuance from discussion whenever necessary.
- Article 10: Except as otherwise provided in the Company Act, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. The voting process shall be carried out on the on a case-by-case basis for relevant issues (including extemporary motion and an amendment to an original motion). The voting power for shareholders shall be duly handled in accordance with the laws and ordinances concerned.
- Where a shareholder appoints a proxy to participate in a shareholders' meeting on his or her behalf, all acts concerned shall be duly handled exactly in accordance with the "Regulations Governing Use of Powers of Attorney (Proxies) for the Shareholders' Meeting of Public Offering Companies."
- Article 11: During the process of a meeting, the chairperson may announce a break. Whenever a meeting cannot be concluded, a decision may be resolved in the shareholders' meeting to resume the meeting within five (5) days without a need to serve a notice or a public announcement for the resumed meeting.

Article 12: Where there are amendments or alternatives to the same proposal, the chair shall, together with the original proposal, determine the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected and no further voting shall be required.

Article 13: The chair may direct the proctors (or security personnel) to help maintain order at the meeting place.

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

Article 14: 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 results of the voting shall be announced onsite and recorded.

Article 15: If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the directors to act as chair, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair. If a shareholders' meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

Article 16: The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

Article 17: The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.

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

Article 18: The entire process of a shareholders' meeting shall be audio recorded/videotaped which shall be put into prudential custody for one year minimum.

Article 19: (Registration for Participating Video Conference and Public Announcement)

Where the shareholders' meeting is held by video means:

1. shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.
2. The acceptance of registrations for shareholders' meetings by video means should be 30 minutes before the start of the meeting and the shareholders who complete the registrations for participating shall be deemed to attend the shareholders' meeting in person.

3. The Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.
4. The Company shall upload the number of shares obtained by solicitors, the number of shares represented by proxy and the number of shares attended by shareholders in writing or by electronic means to the virtual meeting platform at least 30 minutes prior to the commencement of the meeting, and shall continue to disclose such information until the end of the meeting.
5. When the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

Article 20: (Speech by shareholders at the video conference)

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 5 to 8 do not apply.

Article 21: (Handling of video conference interruptions)

In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the first paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders meeting held under the first paragraph, no further discussion or resolution is required for proposals for

which votes have been cast and counted and results have been announced, or list of elected directors.

When the Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in first paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the first paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

Article 22: (Video conference vote counting)

When the Company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

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

When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with the regulations decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

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

Article 23: (Location of the chair and secretary of virtual-only shareholders meeting)

The restrictions under Article 16 on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.

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

Article 24: (Archive of audio or video recordings of video conference meetings)

Where a shareholders meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

Article 25: (Disclosure of information at virtual meetings)

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

Article 26: (Handling of digital gap)

When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online. Except for the circumstances stipulated in Paragraph 6 of Article 44-9 of the Standards for Handling Stock Affairs of Companies with Public Issuance of Stocks, shareholders should at least be provided with connection equipment and necessary assistance, and the period during which shareholders can apply to the company and other relevant matters should be noted.

Article 27: Matters not specified in this Agreement, if any, shall be duly handled in accordance with the Company Act and laws and ordinances concerned.

Article 28: This Regulations was created on June 30, 1975; the 1st amendment was made on June 10, 1989; the 2nd amendment was made on May 9, 1998; the 3rd amendment was made on May 18, 2001; the 4th amendment was made on June 14, 2002; the 5th amendment was made on June 12, 2012; the 6th amendment was made on June 18, 2020; the 7th amendment was made on May 31, 2023; the 8th amendment was made on May 28, 2024.

Appendix 3

Articles of Association of YULON MOTOR CO., LTD

Chapter 1 General Principles

- Article 1: This Company, pursuant to provisions governing company limited by shares as set forth under the Company Act, is duly incorporated under the full name of “Yulon Motor Co., Ltd.” (hereinafter referred to as the Company)
- Article 2: The Company’s business lines are as enumerated below:
1. CD01030 Motor Vehicles and Parts Manufacturing
 2. JA01010 Automobile Repair
 3. JA01990 Other Automobile Services
 4. F114010 Wholesale of Motor Vehicles
 5. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories
 6. E701040 Simple Telecommunications Equipment Installation
 7. E701030 Controlled Telecommunications Radio-Frequency Devices Installation Engineering
 8. I501010 Product Designing
 9. F113070 Wholesale of Telecommunication Apparatus
 10. F213060 Retail Sale of Telecommunication Apparatus
 11. F401010 International Trade
 12. I199990 Other Consulting Service
 13. I103060 Management Consulting
 14. H701010 Housing and Building Development and Rental
 15. H701020 Industrial Factory Development and Rental
 16. H703100 Real Estate Leasing
 17. D101011 Electric Power Generation
 18. IG03010 Energy Technical Services
 19. CD01040 Motorcycles and Parts Manufacturing
 20. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 2-1: The Company is entitled to render inter-guarantee services toward affiliated enterprises in response to business needs.
- Article 2-2: The Company shall not become a partner for an unlimited liability shareholder or partnership of another company. Whenever the Company acts as a shareholder of limited liability of another company, the aggregate total investment by the Company is free of the restriction of 40% of the total paid-in capital.
- Article 3: The Company is headquartered in Miaoli County and may duly set up branch companies, offices and factories elsewhere at home and abroad in response to business needs. The incorporation, change or revocation of a branch as mentioned under the preceding Paragraph shall be subject to a decision duly resolved in the Board of Directors.
- Article 4: A public announcement of the Company shall be duly published in the daily news circulated in the venue where the Company is headquartered unless otherwise specified by the competent authority in charge of securities management.

Chapter 2 Shares

- Article 5: The Company has capital amounting to Twenty Billion New Taiwan dollars in total, divided into two billion shares at NT\$10 par value. The Board of Directors is authorized with power in full to issue the unissued shares in installments. The total amount mentioned under the preceding Paragraph includes one hundred million shares to be reserved to issue share subscription warrants, preferred shares with corporate bonds warrants and corporate bonds with corporate bonds.
- Article 5-1: When the Company issues new shares, the employees who are eligible to subscribe for the new shares may include employees of the controlling or subordinate companies who meet certain criteria.
- Article 6: The Company's shares shall be registered ones in all cases and shall be serially numbered, bearing statutory elements, to be duly signed and stamped with seal(s) by director(s) representing the Company, duly affixed with official seal of the Company and be duly verified by the verifier bank who is entitled to act as stock issuer according to law. For the shares to be issued by the Company, the Company is exempted from printing physical share certificates. For the shares, nevertheless, the Company shall apply to the Taiwan Depository and Clearing Corporation (TDCC) for registry.
- Article 7: The Company shall duly prepare register of shareholders to bear entries of the required elements. The Company's shareholders shall submit their names, addresses or domiciles, registered specimen seals along with the specimen seal certificate cards into the Company's custody beforehand. Whenever a shareholder receives dividend or exercises all sorts of other rights, the registered specimen seal archived in the Company shall prevail as the base. A change in any entry into the register of shareholders shall be discontinued within sixty (60) days prior to a shareholders' regular meeting, within thirty (30) days prior to a special shareholders' meeting and within five (5) days prior to another base day scheduled for allocation of dividend, bonus or other interests.
- Article 8: All share and stock affairs of the Company shall be duly handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" unless otherwise specified in laws and ordinances concerned.

Chapter 3 Shareholders' Meetings

- Article 9: The Company's special shareholders' meetings are classified into the two categories below:
1. Shareholders' meeting: To be duly convened within six (6) months from closure of every fiscal year.
 2. Special shareholders' meeting: to be duly convened in accordance with the Company Act whenever considered necessary.
- The shareholders' meeting can be held by means of a visual communication network or other methods promulgated by the central competent authority.

- Article 10: Notices of a shareholders' meeting, bearing the date, time, venue and reasons to convene the meeting, shall be served to all shareholders thirty (30) days in advance of a shareholders' regular meeting and fifteen (15) days in advance of a special shareholders' meeting.
- Article 11: Unless otherwise specified in the Company Act, a shareholders' meeting shall not be convened until attended by shareholders representing one half majority of the total outstanding shares. A decision in a shareholders' meeting shall be duly resolved by one half majority of the attending shareholders. Each share held by a participating shareholder is entitled to one voting power unit unless otherwise specified in the Company Act.
- Article 12: A shareholder who is unavailable to participate in a shareholders' meeting in person may issue the proxy form in the format printed by the Company and shall specify the scope of authorized power to appoint a proxy to participate in the meeting on his or her behalf. The appointment, agency restriction and key points for attention for such a proxy shall be subject to the provisions set forth under the Company Act. A shareholder who issues the proxy form mentioned under the preceding Paragraph shall not receive any consideration. In case of violation, such proxy is null and void.
- Article 13: The minutes shall be duly worked out for a shareholders' meeting to expressly bear the date, venue, name of the chairperson, number of participating shareholders, number of voting powers, method of resolution, process of the meeting progress, the highlights and outcome of the meeting, to be signed or stamped with seal by the chairperson and shall be duly put into prudential custody in the Company along with the shareholders' sign-in book (cards) and the proxy forms of the appointed proxies. The distribution of the minutes mentioned above may be by publishing them.

Chapter 4 Directors and the Board of Directors

- Article 14: The Company has 6–15 directors to be elected through the candidates nomination system. The directors shall be elected in the shareholders' meeting from the list of director candidates. Directors have a three-year tenure of office and are entitled to reelection. The percentage of total shares to be held by the directors shall be duly subject to the provisions promulgated by the competent authority in charge of securities affairs.
- The Company's directors shall include independent directors in the number of three as the minimum, to be elected through the candidate nomination system, to be elected in the shareholders' meeting from the list of independent director candidates.
- The professional qualification requirements, shareholding ratio, restriction upon moonlighting, nomination and election methods and other issues for compliance for the independent directors mentioned under the preceding Paragraph shall be duly handled in accordance with the requirements promulgated by the competent authority in charge of securities affairs.

- Article 15: The directors shall organize the board of directors. By attendance of two-thirds majority of directors and by a majority vote of the attending directors, one chairman shall be duly elected from among the directors. The Company may, as well, have one vice chairman to be elected from among the directors in the same manner.
- Article 16: The chairman shall chair the shareholders' meeting and board of directors meeting internally and shall represent the Company externally. The chairman may, as well, take charge of overall business operation of the Company. Where the chairman is on leave or unavailable to exercise his responsibilities and powers, the vice chairman shall act as his deadline. In the event that the Company has no vice chairman or while the vice chairman is on leave or unavailable to exercise his responsibilities and powers either, the chairman shall appoint one director to act as the substitute. Where the chairman does not appoint a substitute, one director shall be elected from among themselves to act as the substitute.
- Article 17: The powers and responsibilities of the board of directors are as follows:
1. To resolve the business policies.
 2. To verify a variety of regulations and rules.
 3. To approve the budgets and final account settlement.
 4. To fix distribution of earnings.
 5. To propose the increase/decrease of capital.
 6. To propose the issuance of new shares.
 7. To appoint and discharge key staff members.
 8. To approve the purchase and disposal of the Company's major properties and Representative Office.
 9. To exercise other responsibilities and powers as bestowed by laws and ordinances concerned and by the shareholders' meeting.
- Article 18: The board of directors shall convene a meeting in every three (3) months in principle for which all directors shall be informed within the specified time limit. In case of an emergency or when requested by one half majority of directors, an interim meeting may be duly convened. All sorts of board of directors meetings shall be convened by the chairman. The notices for a board of directors' meeting shall be served to all directors in writing, by e-mail or fax.
- A director who is unavailable to participate in a board of directors meeting in person may appoint another director to act as his or her proxy, provided, that a proxy may accept appointment from only one director.
- Article 19: Unless otherwise provided for in the Company Act, decisions in the board of directors meeting shall be resolved by over one-half majority in the meeting attended by directors representing over one half majority of the total number of director seats. The minutes of a board of directors meeting shall be duly signed or stamped with seal by the chairman and shall be archived in the Company.
- Article 20: (This Article is deleted)

Chapter 5 Functional committees

Article 21: The Company may set up Audit Committee according to law. The Audit Committee or the Audit Committee members shall exercise the supervisory power in accordance with the Company Act, Securities and Exchange Act or other laws and ordinances concerned.

The supervisor system is revoked on the very day on which the Audit Committee is established.

The Audit Committee shall be organized by all independent directors.

The number of Committee members, tenure of office, responsibilities and powers, rules for meeting and the issues to provide resources upon exercise of the responsibilities and powers shall be separately enacted in the Organizational Rules of the Audit Committee.

Article 21-1: The Company's Board of Directors may set up a variety of functional committees. Those functional committees shall duly enact rules and regulations to be enforced which shall be put into enforcement after being resolved in the Board of Directors.

Article 22: (This Article is deleted)

Article 23: (This Article is deleted)

Chapter 6 Managerial officers and staff

Article 24: The Company has one general manager and a certain number of vice general manager(s), assistant general manager(s) and managers all of whom shall be duly appointed and discharged by the Board of Directors according to law. Other staff members shall be duly appointed and discharged as approved by the general manager.

Article 25: The general manager shall, as instructed by the chairman, guide all managerial officers and department heads thereunder to take charge of business affairs. The vice general manager(s) shall assist the general manager.

Chapter 7 Accounting

Article 26: The Company's fiscal year is starting from January 1 until December 31 of every calendar year. Upon closure of every fiscal year, the Board of Directors shall duly work out a variety of books as specified under Article 228 of the Company Act to be reviewed by the Audit Committee before the Audit Committee issues a report to be acknowledged by the shareholders' regular meeting.

Article 27: The Company shall amortize remuneration as enumerated below in a year with profit:

1. The remuneration to directors shall not exceed the maximum limit of 0.5% while, nevertheless, the independent directors shall not participate in the distribution of the aforementioned remuneration.
2. The remuneration to employees shall not be below 0.1% minimum. The aforementioned remuneration to employees shall be duly distributed in either stocks or in cash as resolved by the Board of Directors. The distribution of remuneration to employees and directors should be reported in the shareholders' meeting.

3. In case of accumulated loss. The amount to make up such loss shall be retained beforehand before distribution based on the percentages mentioned in the preceding Paragraphs.
4. From the earnings as shown through final account settlement in a year, other than the sums reserved to make up for previous losses and to pay taxes according to law, a sum 10% for legal reserve and the special reserve as required by the competent authority shall be withheld beforehand. The final surplus, if any, along with the beginning unappropriated retained earnings, shall become the earnings distributable in the current year.
5. Where the Company operates business amidst an environment as a mature and stable industry, given such facts notably the Company's profitability, future operating plans, funding needs and changes in the industrial environments and taking into account the long-term shareholders' equity and the Company's long-term financial planning, the Company's dividend distribution plan is mapped out not below 10% of the total surplus available for distribution in the current year in principle. The dividends are distributed in either cash or in stocks among which the proportion of cash dividends shall not be less than 20% of the aggregate total dividends. Eventually, the Board of Directors shall work out the percentage of distribution to be resolved in the shareholders' meeting.

Article 28: The board of directors is authorized with full power to determination the amount of remuneration to directors in accordance with their individual contribution to the Company with reference to the standards/criteria prevalent in the counterpart peers in the same industry. Where the Company operates at a profit, if any, the remuneration to directors shall be distributed extra in accordance with Article 27 of the Articles of Incorporation.

Chapter 8 Supplementary provisions

- Article 29: The Company's organizational rules and a variety of rules and regulations shall be duly enacted or approved by the board of directors as the actual circumstances may justify.
- Article 30: Matters not specified in this Agreement, if any, shall be duly handled in accordance with the Company Act and other laws and ordinances concerned.
- Article 31: This Articles of Incorporation was created on July 23, 1953;
 The 1st amendment was made on October 23, 1954;
 The 2nd amendment was made on June 23, 1956;
 The 3rd amendment was made on July 20, 1958;
 The 4th amendment was made on June 29, 1960;
 The 5th amendment was made on September 28, 1964;
 The 6th amendment was made on July 5, 1965;
 The 7th amendment was made on November 14, 1966;
 The 8th amendment was made on November 14, 1967;
 The 9th amendment was made on November 27, 1968;
 The 10th amendment was made on November 28, 1969;
 The 11th amendment was made on September 29, 1970;
 The 12th amendment was made on November 29, 1971;
 The 13th amendment was made on May 31, 1972;

The 14th amendment was made on November 30, 1973;
The 15th amendment was made on December 12, 1974;
The 16th amendment was made on June 30, 1975;
The 15th amendment was made on March 18, 1976;
The 18th amendment was made on June 16, 1977;
The 19th amendment was made on April 19, 1979;
The 20th amendment was made on May 2, 1980;
The 21st amendment was made on May 2, 1981;
The 22nd amendment was made on May 7, 1983;
The 23rd amendment was made on June 9, 1984;
The 24th amendment was made on June 1, 1985;
The 25th amendment was made on August 31, 1985;
The 26th amendment was made on June 21, 1986;
The 27th amendment was made on June 6, 1987;
The 28th amendment was made on June 11, 1988;
The 29th amendment was made on June 10, 1989;
The 30th amendment was made on December 16, 1989;
The 31st amendment was made on May 12, 1990;
The 32nd amendment was made on May 25, 1991;
The 33rd amendment was made on May 23, 1992;
The 34th amendment was made on May 15, 1993;
The 35th amendment was made on May 7, 1994;
The 36th amendment was made on June 8, 1996;
The 37th amendment was made on May 17, 1997;
The 38th amendment was made on May 9, 1998;
The 39th amendment was made on May 6, 1999;
The 40th amendment was made on May 15, 2000;
The 41st amendment was made on December 8, 2000;
The 42nd amendment was made on May 18, 2001;
The 43rd amendment was made on June 14, 2002;
The 44th amendment was made on June 16, 2004;
The 45th amendment was made on June 13, 2005;
The 46th amendment was made on June 12, 2006;
The 47th amendment was made on June 21, 2007;
The 48th amendment was made on June 19, 2009;
The 49th amendment was made on June 17, 2011;
The 50th amendment was made on June 12, 2012;
The 51st amendment was made on June 11, 2013;
The 52nd amendment was made on June 21, 2016;
The 53rd amendment was made on June 21, 2019;
The 54th amendment was made on June 18, 2020;
The 55th amendment was made on July 15, 2021;
The 56th amendment was made on June 17, 2022.
The 57th amendment was made on May 31, 2023.

Appendix 4

YULON MOTOR CO., LTD Procedures for Election of Directors

- Article 1: The Company's directors shall be duly elected in accordance with these Rules.
- Article 2: The Company's directors shall be duly elected in the single-name cumulative voting method. Upon election of the directors, each share is entitled to the same voting rights as the number of directors to be elected. The voting power may be used in concentration to elect one director or be distributed to elect several directors. A voter may vote using the code of the shareholder account number as printed onto the election ballot.
- Article 3: Where the election process starts, the chairperson shall appoint a certain number of ballot scrutineers and vote-counters to implement a variety of duties concerned.
- Article 4: The Company's directors shall be duly elected through the candidate nomination system. Based on the number quota of directors set forth under the Company's Articles of Incorporation, the candidates who win more election votes reflected through the ballots shall be elected directors. The independent directors and non-independent directors shall be elected together and the numbers of successful winners shall be counted separately.
In the event that two or more candidates win the same election votes in excess of the specified quota, the candidates who win the same election votes shall draw lots to decide the winner. While such a candidate is absent, the chairperson shall draw the lot on their behalf.
- Article 5: The election ballots shall be prepared by the board of directors and shall be distributed based on the shareholder account numbers and the number of directors to be elected. In accordance with Article II of these Regulations, each election ballot shall duly bear the election votes entitled to the shareholders pro rata. (Note: The election ballots and the agenda handbook shall be distributed at the same time when a shareholder submits his or her sign-in card).
- Article 6: (This Article is deleted)
- Article 7: A ballot is invalid under any of the following circumstances:
1. Without use of the election ballot produced under Article V of these Regulations.
 2. There are more than two candidates indicated on one ballot.
 3. Other wording was marked on the ballot of the candidate.
 4. The writing is unclear and indecipherable or has been altered.
 5. The candidate whose name is entered in the ballot does not conform to the director candidate list.
 6. A blank ballot is placed in the ballot box.
- Article 8: (This Article is deleted)
- Article 9: The ballots are counted immediately at the end of voting and the chair is to announce the voting results.

Article 10: In case directors duly elected as declared under the preceding Article, the board of directors shall issue the notice of successful election.

Article 11: These Procedures and any amendments hereto, shall be implemented after approval by a shareholders' meeting. This Regulations was created on June 30, 1975; the 1st amendment was made on June 21, 1986; the 2nd amendment was made on June 14, 2002; the 3rd amendment was made on June 12, 2006, the 4th amendment was made on June 21, 2016; the 5th amendment was made on July 15, 2021.

Appendix 5

The Impact of Stock dividends Issuance on Business Performance, EPS and Shareholder Return Rate:

This is not applicable as no issuance of bonus shares is carried out in the present fiscal year.

