

STOCK CODE 2915

A man and a woman are posing on a large, light-colored rock. The woman is sitting in the foreground, wearing a light beige short-sleeved button-down shirt over a white t-shirt and matching shorts. She has short black hair and is looking off to the side. The man is crouching behind her, wearing a green short-sleeved button-down shirt over a black t-shirt and dark shorts. He has a short haircut and is looking directly at the camera. The background shows more of the rocky terrain under a clear sky.

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SPIRIT

2024 Annual Shareholders' Meeting

MEETING HANDBOOK

RUENTEX INDUSTRIES LIMITED

DATE OF PUBLICATION
JUNE 27, 2024



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Ruentex Industries Ltd.
Agenda of 2024 Annual Meeting of Shareholders

- I. Call the Meeting to Order
- II. Chairperson Remarks
- III. Reports
- IV. Ratifications
- V. Discussion
- VI. Elections
- VII. Other Matters
- VIII. Extempore Motions
- IX. Adjournment

Ruentex Industries Ltd. Agenda of 2024 Annual Meeting of Shareholders

Meeting type: Hybrid shareholders meeting

Time: June 27, 2024(Thursday) at 9:00am

Location: 3F, No. 260, Sec. 2, Bade Rd., Taipei City (Zhongying Bade Building)

Virtual Meeting Platform: The Virtual Meeting Platform of Taiwan Depository & Clearing Corporation
(<https://stockservices.tdcc.com.tw>)

I. Chairperson Remarks

II. Reports:

1. 2023 business report of the Company.
2. Audit Committee's review report on the 2023 financial statements.
3. Report on distribution of the 2023 employees' remuneration.
4. Report on amendments of the "Rules of Procedure for Board of Directors Meeting" .

III. Ratifications:

1. Financial statements for 2023.
2. Distribution of Earnings for 2023.

IV. Discussion:

1. Amendments to the company's "The Articles of Incorporation" are hereby submitted for discussion.

V. Elections:

1. Election of directors(Including independent directors).

VI. Other Matters:

1. Lifting of the non-compete restrictions on newly elected directors.

VII.Extempore Motions

VIII.Adjournment

[Reports]

1. 2023 business report of the Company, please kindly review.

Ruentex Industries Ltd. 2023 Business Report

Dear shareholders,

The Company's 2023 Business overview and financial performance are provided as follows:

- (1) The Company's operation and financial performance:

The Company's consolidated operating income for the year 2023 was NT\$2.681 billion; gross profit was NT\$936 million; net income for the period was NT\$7.575 billion; earnings per share was NT\$7.19.

In 2023, we are still affected by several factors such as a sharp rise in interest rates, global inflation and weaker-than-expected economic performance, which weakened the global product demand. Furthermore, the Russian-Ukrainian War, the Israel-Hamas conflict, and the US-China trade conflict have all affected the global economy and social stability, resulting in many uncertainties. The performance of the Company's related businesses was also affected, resulting in a decrease in the 2023 consolidated revenue. In the face of such a changeable operating environment, the Company's management still strives to stabilize the Company's profits by increasing profits and reducing expenses.

Non-operating income is mainly sourced directly and indirectly from the recognition of investment profit in Nan Shan Life Insurance by Ruen Chen Investment Holdings. As the capital market stabilized, the net value of Nan Shan Life Insurance rebounded, and the Company proportionally recognized the unrealized profits of financial assets held by Nan Shan Life Insurance.

- (2) Future Outlook:

For the retail business of the brand agency, the Company has already taken on 3 apparel brands - Nautica, Jeep Spirit, Eden Park and 1 tea brand

-Whittard, all of which have established market reputations. In addition, the Company added the apparel brand Ted Baker in 2023 to our portfolio. The store officially opened in January 2024. It is hoped that its high-quality, unique and meticulous fashion design can bring good results to the Company's retail business.

In terms of marketing, the Company will continue to look for sales locations and online shopping platforms with development potential, and make more use of digital tools to provide customers with a more convenient shopping experience.

In terms of product design and development, we work with foreign agents to develop a variety of popular products that meet consumer needs, and continue to refine design capabilities through customer feedback to better meet consumer needs. In the long term, the Company will develop more competitive products and brands through resource integration to gradually expand the business scale.

In terms of textile and apparel trading, the Company is different from the general trader's business model. With the excellent product development and design capabilities and the advantages of integrated services accumulated over the years in the manufacturing of fabrics, the Company focuses on the main customers and continues to develop customers of well-known brands in Europe and the United States, lifting business revenue. Meanwhile, with the strategic alliance with suppliers, it aims to expand its market share in the functional products and knitting market, seeking more customers and orders. In the future, the Company will continue to innovate and develop in line with the rapidly-change market and products, and, synergized with its design and development service for customers, it will create added-value and differentiation, enhancing its competitiveness.

Regarding the hypermarket business, we have launched online shopping platforms to cope with changes in consumer shopping habits and enhance the performance of online sales. As for promotional events, we

have established an official platform through communication software to increase the frequency of customers visiting the stores and developed an E-business model to work with several food delivery platform operators to increase delivery services and expand from fresh food delivery only in the past to daily necessities providing customers with more diverse choices. At the same time, the Company actively participates in PX MART's online shopping platform to increase sales performance and uses the advantages of joint procurement with PX MART, hoping to maintain stable growth in sales and gross profit.

In the construction business, adhering to the principle of “Integrity and Quality First”, the Company will make timely disposal of land inventories, or develop office or residential building projects steadily. In addition, the Company will prudently evaluate the opportunities for investment to ensure the success of its diversified business strategy and thus increase profitability.

The Company’s investment business will continue to select domestic and international investment targets on the ”conservative and prudent evaluation, and benefit-risk balance” principle, to diversify sources of profit.

With the efforts of everyone in the Company and your support and encouragement, we believe it will be an opportune and prosperous year.

Chairman:
Hsu, Sheng-Yu

Manager:
Hsu, Chih-Chang

Accounting Manager:
Chang, Hsiu-Yen

2. Audit Committee's review report on the 2023 financial statements, please kindly review

Ruentex Industries Ltd. Audit Report by the Auditing Commission

The Board of Directors prepared the financial statements, business report and proposal on profit distribution proposal for 2023. The financial statements were audited by Shu-chiung Chang and Seanh Hsu, accountants of PwC Taiwan, and an audit report was issued by them. The above-mentioned financial statements, business report and proposal on earnings distribution for 2023 were reviewed by the Audit Committee and deemed appropriate. Therefore, in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we present this report for further examination.

Please
kindly approve.

To

2024 Annual Meeting of Shareholders

Audit Committee Convener: Wang, Tay-Chang

March 13th, 2024

3. Report on distribution of the remuneration for employees in 2023, please kindly review.

Pursuant to Article 34 of the Company's Articles of Incorporation, 0.3% of the net income before taxes for the year 2023 is appropriated as remuneration for employees, totaling NT\$22,830,607 and all paid in cash.

1. 4. Report on amendments of the "Rules of Procedure for Board of Directors Meeting" and the "Codes of Ethical Conduct," please kindly review.

In accordance with amendment of relevant laws of regulations by competent authorities, it is proposed to amend parts of the "Rules of Procedure for Board of Directors Meeting" of the Company, please find Attachment 1 for the tables of comparison on page 14-15 of this manual.

[Ratifications]

Agenda 1

Proposed by the Board of Directors

Subject: The 2023 financial statements of the Company is submitted for recognition.

Description:

1. The 2023 business report of the Company (please refer pages 3-5 of this manual) and Financial statements (Please refer to Attachment 2 on page 16-41 of this manual) have been completed.
2. The financial statements for 2023 were audited by Shu-chiung Chang and Seanh Hsu, accountants of PwC Taiwan, and an audit report with unqualified opinions was issued by them.
3. The financial statements were reviewed by the Audit Committee, with a review report issued thereby.
4. Please kindly approve it.

Decision:

Agenda 2

Proposed by the Board of Directors

Subject: The Company's distribution of earnings for 2023 is submitted for recognition.

Description:

1. In accordance with the Company's Articles of Incorporation, it is proposed to distribute cash dividend of NT\$2,760,796,930, in equivalent to NT\$2.5 per share. According to Letter Tai-Cai-Shui No. 871941343, dated April 30, 1998, from the Ministry of Finance, profits distributed must be individually recognized. For the profit of the current year, the distributable profit in 2023 was distributed first. The Earnings Distribution Plan is attached, please see the following page for reference.
2. If the Company subsequently affects the circulation of shares outside the Company and the dividend payout ratio for shareholders changes, due to the buy back of shares of the company or the cancellation of treasury shares or other factors, it is proposed to authorize the board of directors to adjust.
3. The Earnings Distribution Plan is attached, please see the following page for reference.
4. The Earnings Distribution Plan is attached, please see the following page for reference.
5. Please kindly approve.

Decision:

Ruentex Industries Ltd. Earnings Distribution Plan for 2023 Unit: New Taiwan Dollars		
Item	Amount	
1. Undistributed earnings in the beginning of the year		7,499,619,246
2. Current net profit after taxes		7,499,619,246
Add: Amount of items other than the current net profit after tax, and which is included in the undistributed profit of the year		(126,019,938)
Actuarial gains on defined benefit plans	(126,307,067)	
Disposal of investments in equity instruments at fair value through other comprehensive income	251,686	
Changes in the Company's associates accounted for using equity method	35,443	
Undistributed profit after adjustment		7,373,599,308
3. Retained 10% legal reserve		(737,359,931)
4. Reversal(Provision) of special reserves		10,705,532,796
- Current earnings	(501,418,844)	
- Undistributed earnings from the prior period	11,206,951,640	
5. Distributable earnings for the period		17,341,772,173
Distributable items:		
Cash dividend (NT\$2/share)		(2,760,796,930)
Undistributed earnings at the end of the period		14,580,975,243

Note: The undistributed earnings before the undistributed earnings tax has been additionally levied on the special reserve reversal in the current period amounted to NT\$11,206,951,640.

Chairman: Hsu,
Sheng-Yu

Manager: Hsu, Chih-
Chang

Accounting Manager:
Chang, Hsiu-Yen

[Discussion]

Agenda 1

Proposed by the Board of Directors

Subject: Amendment to the Company Corporate Charter (Articles of Incorporation). Please proceed to discuss.

Description:

1. In accordance with the relevant amendments to the Company Act and the measures related to a sound dividend policy of the company, it is proposed to amend relevant articles of the Articles of Incorporation. Please find Attachment 3 for the proposed amendments on page 42-43 of this manual.
2. Please kindly approve.

Decision:

[Elections]

Agenda 1 : Proposed by the Board of Directors

Subject: Election of the Company's Directors(Including independent directors) is respectfully requested.

Description:

1. According to Article 21 of the Company's Articles of Incorporation: "the Company shall have seven to nine directors and the Audit Committee, and the Board is authorized to approve the number of directors. Election of directors shall adopt candidate nomination measures stipulated in Article 192-1 of the Company Act, and shareholders shall elect from the list of nominees in compliance with Article 198 of the Company Act. Among the directors, the number of independent directors shall be at least two and may not be less than one-fifth of the number of directors." and Article 22: "Directors shall each hold office for a term of three years, and are eligible for re-election,"
2. current term of the board of directors elected in the 2021 Annual Shareholders' Meeting for a term of three years will soon expire, so election is hereby proposed.
3. It is proposed to elect 9 directors in this election, including 3 independent directors. The newly elected directors' term of office will be 3 years from June 27, 2024 to June 26, 2027.
4. For the list of directors (including independent directors) and the reasons for nomination of independent director candidates for those who have served for three terms, please find Attachment 4 on pages 44-47 in this manual for the nomination of directors and .
5. Election is respectfully requested.

Election result:

[Other Matters]

Agenda 1 : Proposed by the Board of Directors

Subject: Lifting of the non-compete restrictions on newly elected directors, please kindly discuss.

Description:

1. Pursuant to Article 209 of the Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
2. For the needs of the Company's continuous business expansion, it is proposed to exempt the newly elected directors from non-competition restrictions. Please find Attachment 5 on pages 48 in this manual for the List of the lifting of the non-competition restrictions on the Board of Directors.
3. Please kindly approve.

Decision:

[Extempore Motions]

[Adjournment]

Ruentex Industries Ltd.

Table of Comparison of Clauses Before and After Amendment of the “Rules of Procedure for Board of Directors Meeting”

After amendment	Before amendment	Description
<p>Article 12</p> <p>The chairperson of the board shall call the meeting to order immediately when more than half of the directors have attended the meeting.</p> <p>At the scheduled meeting time, if half of all directors are absent, the chairperson may announce a postponement of the meeting <u>on that day</u>. The number of postponements is limited to two times. If the quorum is still not met after two postponements, the chair shall convene a new meeting in accordance with the procedures specified in Article 3, Paragraph 2 of these Rules.</p> <p>The term "all directors" as used in these Rules shall be counted as the number of actual incumbents.</p>	<p>Article 12</p> <p>The chairperson of the board shall call the meeting to order immediately when more than half of the directors have attended the meeting.</p> <p>At the scheduled meeting time, if half of all directors are absent, the chairperson may announce a postponement of the meeting. The number of postponements is limited to two times. If the quorum is still not met after two postponements, the chair shall convene a new meeting in accordance with the procedures specified in Article 3, Paragraph 2 of these Rules.</p> <p>The term "all directors" as used in these Rules shall be counted as the number of actual incumbents.</p>	<p>Partial amendment in alignment with the amended “Regulations Governing Procedures for Board of Directors Meetings of Public Companies”.</p>
<p>Article 13</p> <p>The board meeting shall proceed in accordance with the agenda scheduled in the meeting notice. However, it may be changed with the consent of more than half of the attending directors.</p> <p>The chair may not announce the adjournment of a meeting without the consent of more than half of the directors present.</p> <p>If at any time during the proceeding of a board of directors meeting, the directors sitting at the meeting are not more than half of the directors present at the meeting, then upon motion by the</p>	<p>Article 13</p> <p>The board meeting shall proceed in accordance with the agenda scheduled in the meeting notice. However, it may be changed with the consent of more than half of the attending directors.</p> <p>The chair may not announce the adjournment of a meeting without the consent of more than half of the directors present.</p> <p>If at any time during the proceeding of a board of directors meeting, the directors sitting at the meeting are not more than half of the directors present at the meeting, then upon motion by the</p>	<p>Partial amendment in alignment with the amended “Regulations Governing Procedures for Board of Directors Meetings of Public Companies”.</p>

After amendment	Before amendment	Description
<p>directors sitting at the meeting, the chair shall declare a suspension of meeting, in which case paragraph 2 of the preceding article shall apply mutatis mutandis.</p> <p><u>If at any time during the proceeding of a board of directors meeting, Paragraph 3 of Article 10 shall apply to the appointment of proxies if the chair is unable to preside over the meeting or adjourns the meeting without complying with the provisions of paragraph 2.</u></p>	<p>directors sitting at the meeting, the chair shall declare a suspension of meeting, in which case paragraph 2 of the preceding article shall apply mutatis mutandis.</p>	
<p>Article 20</p> <p>The establishment of these Rules shall be subject to the approval of the Board of Directors, and shall be reported to the shareholders' meeting. <u>Any future amendments will be resolved by the board of directors.</u></p>	<p>Article 20</p> <p>The establishment and amendment of these Rules shall be subject to the approval of the Board of Directors, and shall be reported to the shareholders' meeting.</p>	<p>This article is amended with reference to the Sample Template for “○○ Co., Ltd. Rules of Procedure for Board of Directors Meetings.”</p>

Independent Auditors' Report

(2024) Cai-Shen-Bao-Zi No. 23005108

To Ruentex Industries Ltd.:

Audit Opinions

We have audited the consolidated balance sheets of Ruentex Industries Ltd. and its subsidiaries (hereinafter referred to as “the Group”) for December 31, 2023 and 2022, the consolidated comprehensive income statements, equity statements and cash flow statements of the Group for the period from January 1 to December 31, 2023 and 2022, and the notes to the consolidated financial report (including a summary of significant accounting policies).

In our opinion, based on our audits and the report of other independent accountants (please refer to the “other matter” section of our report), the accompanying consolidated financial statements present fairly in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed and issued by the Financial Supervisory Commission.

Basis of Audit Opinions

We conducted our audits in accordance with the Rules Governing Auditing and Certification of Financial Statements by Certified Public Accountants and auditing standards in the Republic of China. Our responsibilities under those standards are further described in the section of “Responsibilities of the Accountants for the Audit of Consolidated Financial Statements” in 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. In view of the audit result concluded by our representatives and the audits concluded by other independent auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 of the Group for the year

ended 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

The most significant key audit matters in our audit of the Group's consolidated financial statements for the year ended 2022 are as follows:

Accuracy of Investment Balance Accounted for using equity method

Description of Key Audit Matters

As of December 31, 2023, the Group's investments accounted under equity method were NT\$82,837,117 thousand, representing 71.368% of the total consolidated assets. Please refer to Note 4(15) for accounting policies on investments accounted under equity method and Note 6(7) for details.

As the investments using the equity method involved the domestic and overseas investments at multiple levels and cross shareholdings. It was a complicated calculation and the amount of the above matters had a significant impact, and it required a great deal of manpower to audit it. Therefore, we believe that the correctness of the investment balance using the equity method is one of this year's key audit matters.

Corresponding Audit Procedures

We summarize the audit procedures executed for the aforementioned key audit matters as follows:

1. We assessed the consistency of the internal control and the accounting process adopted by the management on the investments under equity method.
2. We obtained the investment profit/loss and equity account calculation form and the annual financial statements of investees audited by independent auditors from the management re-calculated the investment profit/loss and equity account amounts, and entered into account appropriately.

Measurement of Investment Property Fair Value

Description of Key Audit Matters

The investment property held by the Group is subsequently measured at fair value. As the assessment of fair value involves significant accounting estimates and judgments by management, the auditor believes that the fair value assessment of investment properties is the most important matter for audit during the period.

Please refer to Notes 4(19) to the consolidated financial statements for the accounting policy on investment property; Note 5 for the uncertainties of accounting

estimates and assumptions; Note 6(11) for the details of accounting titles; Note 12(3) for the details of fair values.

Corresponding Audit Procedures

We summarize the audit procedures executed for the aforementioned key audit matters as follows:

1. Valuation of the professional competence and independence of the independent appraiser by the management. And discuss with management the scope of work and appointment method of the valuation personnel to ensure that there are no factors that affect their independence or limit their scope of work.
2. Evaluate the judgments made by the independent appraiser used by management, including whether the appraisal method and the key assumptions used are reasonable.
3. Verify the accuracy and completeness of the data used by the independent valuer employed by the management during the evaluation process.

Other Matters - Reference to Audits by Other Accountants

We did not audit the financial statements of multiple subsidiaries and investments accounted under the equity method that are included in the Group's consolidated financial statements. Those statements were audited by other independent accountants whose report thereon has been furnished to us, and our opinion expressed herein is based solely on the audit reports issued by other independent accountants. The total assets of the aforementioned subsidiaries as of December 31, 2023 and 2022, were NT\$4,533,993 thousand and NT\$5,855,788 thousand, respectively, and constituted 3.906% and 5.734% of total consolidated assets. Their total operating income of NT\$261,602 thousand and NT\$284,638 thousand for the years ended December 31, 2023 and 2022, constituting 9.759% and 9.903% of total consolidated operating income. The aforementioned investments recognized under equity method as of December 31, 2023 and 2022 were NT\$10,855 thousand and NT\$2,670 thousand, respectively, and constituted 0.009% and 0.003% of total consolidated assets. Share of other comprehensive income of associates and joint ventures accounted for under equity method and other comprehensive income were NT\$(3,814) thousand and NT\$(6,105) thousand for the years ended December 31, 2023 and 2022, respectively, constituting 0.021% and 0.011% of total consolidated comprehensive income.

Other Matters- Unconsolidated Financial Report

We have audited and expressed an unqualified opinion on the parent only financial statements of Ruentex Industries Ltd. as at and for the year ended December 31, 2023 and

2022.

Responsibilities of the Management and Governing Bodies for Consolidated Financial Statements

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

In preparing the consolidated financial statements, the 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.

Responsibilities of the Accountants for the Audit of 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 auditor's report that included our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatement may be caused by fraud or error. 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 auditing standards in the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. Also:

1. We identify and assess the risks of material misstatement of 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 opinions. 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. We 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 auditor's 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. We evaluate the overall presentation, structure and content of the consolidated financial statements, including the related disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. We obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within Ruentex Group to express an opinion on the consolidated financial statements. We are responsible for directing, overseeing and executing audit of Ruentex Group, and forming the audit opinion for Ruentex Group.

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 the governance units with statements that we have complied with relevant matters that may reasonably be thought to bear on our independence, and we have also communicated with the governance units on all relationships and other matters, including relevant protective measure, that may be considered to affect the independence

of auditors.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Group's consolidated financial statements of 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation preclude 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.

PwC Taiwan

Shu-chiung Chang

CPA

Seanh Hsu

Former Financial Supervisory Commission,
Executive Yuan

Approval Certificate No.: Jin-Guan-Zheng-Shen-Zi
No. No. 0990042602

Former Financial Supervisory Commission,
Executive Yuan

Approval Certificate No.: Jin-Guan-Zheng-Shen-Zi
No. No. 1050029449

March 13, 2024

Ruentex Industries Ltd. and Subsidiaries
Consolidated Balance Sheet
December 31, 2023 and 2022

Unit: NT\$ thousands

	Assets	Notes	D e c e m b e r 3 1 , 2 0 2 3		D e c e m b e r 3 1 , 2 0 2 2	
			A m o u n t	%	A m o u n t	%
	Current Assets					
1100	Cash and cash equivalents	6(1)	\$ 7,248,962	6	\$ 9,549,587	9
1136	Financial assets measured by amortized cost - current	6(6)	30,220	-	-	-
1150	Net bills receivable	6(2)	319	-	380	-
1160	Bills receivable - related parties - net	6(2) and 7	840	-	114	-
1170	Net Accounts Receivable	6(2) and 12(2)	155,839	-	205,421	-
1180	Accounts receivable - related parties - net	6(2), 7 and 12 (2)	1,220	-	1,159	-
1200	Other receivables		33,454	-	74,954	-
1210	Other Receivables - related party	7	6,746	-	6,630	-
130X	Inventories	6(3) and 8	512,752	1	533,904	1
1410	Prepayments		20,669	-	57,301	-
1470	Other Current Assets		571	-	485	-
11XX	Total current assets		<u>8,011,592</u>	<u>7</u>	<u>10,429,935</u>	<u>10</u>
	Non-current assets					
1510	Financial assets at fair value through profit or loss - non-current	6(4)	3,030,078	3	3,092,072	3
1517	Financial assets at fair value through other comprehensive income - non- current	6(5), 7 and 8	6,301,163	5	7,106,544	7
1535	Amortized cost financial Assets - non-Current	6(6) and 8	4,522,468	4	4,951,510	5
1550	Investments accounted for using equity method	6(7), 7 and 8	82,837,117	71	65,409,402	64
1600	Property, plant, and equipment	6(8) and 8	1,378,709	1	1,410,827	2
1755	Right-of-use assets	6(9)	100,580	-	147,598	-
1760	Net value of investment properties	6(3)(11) and 8	8,801,563	8	8,557,513	8
1780	Intangible assets	6(12)(13)	862	-	1,385	-
1840	Deferred tax Assets	6(34)	1,011,821	1	942,164	1
1900	Other non-current Assets	6(14)(20)	74,272	-	70,283	-
15XX	Total non-current assets		<u>108,058,633</u>	<u>93</u>	<u>91,689,298</u>	<u>90</u>
1XXX	Total Assets		<u>\$ 116,070,225</u>	<u>100</u>	<u>\$ 102,119,233</u>	<u>100</u>

(Continued)

Ruentex Industries Ltd. and Subsidiaries
Consolidated Balance Sheet
December 31, 2023 and 2022

Unit: NT\$ thousands

Liabilities and Equity			D e c e m b e r 3 1 , 2 0 2 3		D e c e m b e r 3 1 , 2 0 2 2	
			A m o u n t	%	A m o u n t	%
Current liabilities						
2100	Short-term borrowings	6(15) and 8	\$ 350,000	-	\$ 2,290,000	2
2110	Short-term bills payable	6(16) and 8	-	-	499,698	1
2130	Contract liabilities - current	6(26)	35,563	-	24,692	-
2150	Notes payable		97,385	-	99,243	-
2160	Notes payable - related party	7	388	-	345	-
2170	Accounts Payable		203,800	-	235,336	-
2180	Accounts payable - related party	7	8	-	-	-
2200	Other payables	6(17)	277,149	-	297,381	-
2220	Other Payable - Related Party	7	2,165	-	1,268	-
2230	Income tax liabilities of current period		594	-	678,314	1
2280	Lease liabilities - current	6(9)	51,390	-	52,745	-
2320	Long-term liabilities due within one year or one operating cycle	6(18) and 8	850,000	1	1,975,000	2
2399	Other current liabilities - other		11,595	-	13,938	-
21XX	Total Current Liabilities		1,880,037	1	6,167,960	6
Non-current liabilities						
2540	Long-term borrowings	6(18) and 8	13,795,000	12	11,375,000	11
2570	Deferred income tax liabilities	6(34)	1,434,108	1	1,457,614	1
2580	Lease liabilities - non-current	6(9)	50,489	-	96,477	-
2600	Other non-Current liabilities	6(19)	790,761	1	743,674	1
25XX	Total Non-Current Liabilities		16,070,358	14	13,672,765	13
2XXX	Total Liabilities		17,950,395	15	19,840,725	19
Equity						
Equity attributed to owners of the parent						
3110	Share capital	6(22)	11,043,188	9	11,043,188	11
3200	Capital surplus	6(23)	28,171,512	24	28,091,265	27
	Retained earnings	6(24)				
3310	Legal reserve		3,780,852	3	4,601,302	5
3320	Special reserve		76,379,565	66	13,067,008	13
3350	Undistributed earnings		7,373,600	6	64,700,745	63
3400	Other Equities	6(25)	(30,142,877)	(25)	(41,349,830)	(40)
3500	Treasury stock	6(22)	(552,479)	-	(552,479)	(1)
31XX	Total equity attributable to owners of the parent company		96,053,361	83	79,601,199	78
36XX	Non-controlling Interest	6(35)	2,066,469	2	2,677,309	3
3XXX	Total Equity		98,119,830	85	82,278,508	81
	Significant Contingent Liabilities and Unrecognized Commitments	9				
	Significant subsequent events	11				
3X2X	Total Liabilities and Equity		\$ 116,070,225	100	\$ 102,119,233	100

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

Chairman: Hsu, Sheng-Yu

Manager: Hsu, Chih-Chang

Accounting Manager: CHANG, Hsiu-Yen

Ruentex Industries Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Years Ended December 31, 2023 and 2022

Unit: NT\$ thousands
(Except earnings per share, which is in NT\$)

Item	Notes	2023		2022	
		A m o u n t	%	A m o u n t	%
4000 Operation Income	6(26) and 7	\$ 2,680,640	100	\$ 2,874,195	100
5000 Operation cost	6(27)				
	(32)				
	(33) and 7	(1,744,227)	(65)	(1,893,232)	(66)
5900 Gross Profit		936,413	35	980,963	34
Operating Expenses	6(21)				
	(32)				
	(33)				
6100 Selling expenses		(605,889)	(23)	(603,529)	(21)
6200 General & administrative expenses		(265,695)	(10)	(320,739)	(11)
6450 Expected credit impairment gains (losses)	12(2)	979	-	(518)	-
6000 Total Operating Expenses		(870,605)	(33)	(924,786)	(32)
6900 Operating Profit		65,808	2	56,177	2
Non-operating Income and Expenses					
7100 Interest revenue	6(28) and 7	548,834	21	220,461	8
7010 Other income	6(29) and 7	247,769	9	388,470	13
7020 Other gains and losses	6(30)	730,419	27	4,157,882	145
7050 Financial Costs	6(31)	(289,597)	(11)	(379,442)	(13)
7060 Share of income of associates and joint ventures accounted for using the equity method	6(7)	6,361,676	238	8,650,651	301
7000 Total non-operating income and expenses		7,599,101	284	13,038,022	454
7900 Net profit before tax		7,664,909	286	13,094,199	456
7950 Income tax expense	6(34)	(90,104)	(3)	(1,031,044)	(36)
8200 Net income of current period		\$ 7,574,805	283	\$ 12,063,155	420

(Continued)

Ruentex Industries Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Years Ended December 31, 2023 and 2022

Unit: NT\$ thousands
(Except earnings per share, which is in NT\$)

Item		Notes	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
			A m o u n t	%	A m o u n t	%
Other comprehensive income (net)						
Items not to be reclassified into profit or loss						
8311	Remeasurement of defined benefit plan	6(20)	(\$ 1,198)	-	\$ 8,880	-
8316	Unrealized profit or loss on equity investments at fair value through other comprehensive income	6(5)	(1,261,197)	(47)	(1,458,126)	(51)
8320	Share of other comprehensive income of associates and joint ventures accounted for under equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(25)	(36,402)	(1)	(96,773)	(3)
8349	Income tax relating to non-reclassified items	6(34)	<u>136,319</u>	<u>5</u>	<u>55,697</u>	<u>2</u>
8310	Total of items not to be reclassified into profit or loss		<u>(1,162,478)</u>	<u>(43)</u>	<u>(1,490,322)</u>	<u>(52)</u>
Items may be reclassified subsequently to profit or loss						
8361	Exchange differences on translating foreign operations		(4,243)	-	657,680	23
8370	Share of other comprehensive income of associates and joint ventures accounted for using the equity method - items that may be reclassified subsequently to profit or loss	6(25)	11,759,609	438	(66,932,988)	(2329)
8399	Income tax related to items may be reclassified into profit or loss	6(34)	<u>(25,780)</u>	<u>(1)</u>	<u>529,707</u>	<u>18</u>
8360	Total of items may be reclassified subsequently to		11,729,586	437	(65,745,601)	(2288)

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

Chairman: Hsu, Sheng-Yu

Manager: Hsu, Chih-Chang

Accounting Manager: CHANG,
Hsiu-Yen

Ruentex Industries Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Years Ended December 31, 2023 and 2022

Unit: NT\$ thousands
(Except earnings per share, which is in NT\$)

	profit or loss				
8300	Other comprehensive income (net)	<u>\$ 10,567,108</u>	<u>394</u>	<u>(\$ 67,235,923)</u>	<u>(2340)</u>
8500	Total Comprehensive Income Current Period	<u>\$ 18,141,913</u>	<u>677</u>	<u>(\$ 55,172,768)</u>	<u>(1920)</u>
	Profit attributable to:				
8610	Owners of the parent	<u>\$ 7,499,620</u>	<u>280</u>	<u>\$ 12,168,391</u>	<u>424</u>
8620	Non-controlling Interest	<u>\$ 75,185</u>	<u>3</u>	<u>(\$ 105,236)</u>	<u>(4)</u>
	Comprehensive Income attributed to:				
8710	Owners of the parent	<u>\$ 18,580,553</u>	<u>693</u>	<u>(\$ 54,840,430)</u>	<u>(1908)</u>
8720	Non-controlling Interest	<u>(\$ 438,640)</u>	<u>(16)</u>	<u>(\$ 332,338)</u>	<u>(12)</u>
	Earnings per share				
			6(36)		
9750	Basic earnings per share	<u>\$ 7.19</u>		<u>\$ 15.55</u>	
9850	Diluted earnings per share	<u>\$ 7.18</u>		<u>\$ 15.53</u>	

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

Chairman: Hsu, Sheng-Yu

Manager: Hsu, Chih-Chang

Accounting Manager: CHANG,
Hsiu-Yen

Ruentex Industries Ltd. and Subsidiaries
Consolidated statement of changes in Equity
For the Years Ended December 31, 2023 and 2022

Unit: NTS thousands

	N o t e	E q u i t y a t t r i b u t e d t o o w n e r s o f t h e p a r e n t											
		R e t a i n e d e a r n i n g s						Non-controlling					
		Undistributed						I n t e r e s t					
		Capital surplus		Legal reserve	Special reserve	earnings	Other Equities		Treasury stock	T o t a l	Total Equity		
2022													
Balance on January 1, 2022		\$ 7,343,188	\$ 13,091,165	\$ 3,019,067	\$ 13,067,008	\$ 56,072,695	\$ 27,372,479	(\$ 552,479)	\$ 119,413,123	\$ 3,009,647	\$ 122,422,770		
Net income of current period	6(24)	-	-	-	-	12,168,391	-	-	12,168,391	(105,236)	12,063,155		
Other comprehensive income	6(24)(25)(35)	-	-	-	-	278,600	(67,287,421)	-	(67,008,821)	(227,102)	(67,235,923)		
Total Comprehensive Income Current Period		-	-	-	-	12,446,991	(67,287,421)	-	(54,840,430)	(332,338)	(55,172,768)		
Appropriation and distribution of the earnings for 2021:	6(24)												
Legal reserve		-	-	1,582,235	-	(1,582,235)	-	-	-	-	-		
Cash dividends		-	-	-	-	(3,671,594)	-	-	(3,671,594)	-	(3,671,594)		
Cash Capitalization	6(22)	3,700,000	14,800,000	-	-	-	-	-	18,500,000	-	18,500,000		
share-based payment transaction	6(21)(23)	-	62,840	-	-	-	-	-	62,840	-	62,840		
Cash dividends received by subsidiaries from the parent company	6(23)	-	-	-	-	-	-	-	-	-	-		
Overdue dividends not collected by shareholders	6(23)	-	100,632	-	-	-	-	-	100,632	-	100,632		
Changes in associates & joint ventures accounted for using equity method	6(23)(24)(25)	-	1,931	-	-	-	-	-	1,931	-	1,931		
Equity instruments valuation profit or loss measured at fair value through disposal of other comprehensive income	6(24)(25)	-	34,688	-	-	288,906	(288,906)	-	34,688	-	34,688		
Gains after disgorgement exercised	6(23)	-	9	-	-	1,145,982	(1,145,982)	-	-	-	-		
Balance on December 31, 2022		\$ 11,043,188	\$ 28,091,265	\$ 4,601,302	\$ 13,067,008	\$ 64,700,745	(\$ 41,349,830)	(\$ 552,479)	\$ 79,601,199	\$ 2,677,309	\$ 82,278,508		
2023													
Balance on January 1, 2023		\$ 11,043,188	\$ 28,091,265	\$ 4,601,302	\$ 13,067,008	\$ 64,700,745	(\$ 41,349,830)	(\$ 552,479)	\$ 79,601,199	\$ 2,677,309	\$ 82,278,508		
Net income of current period	6(24)	-	-	-	-	7,499,620	-	-	7,499,620	75,185	7,574,805		
Other comprehensive income	6(24)(25)(35)	-	-	-	-	(126,306)	11,207,239	-	11,080,933	(513,825)	10,567,108		
Total Comprehensive Income Current Period		-	-	-	-	7,373,314	11,207,239	-	18,580,553	(438,640)	18,141,913		
Appropriation and distribution of the earnings for 2022:	6(24)												
Legal reserve		-	-	1,388,188	-	(1,388,188)	-	-	-	-	-		
Special reserve		-	-	-	63,312,557	(63,312,557)	-	-	-	-	-		
Cash dividends		-	-	(2,208,638)	-	-	-	-	(2,208,638)	-	(2,208,638)		
Cash dividends received by subsidiaries from the parent company	6(23)	-	40,253	-	-	-	-	-	40,253	-	40,253		
Overdue dividends not collected by shareholders	6(23)	-	13,612	-	-	-	-	-	13,612	-	13,612		
Changes in associates & joint ventures accounted for using equity method	6(23)(24)(25)	-	26,359	-	-	35	(35)	-	26,359	-	26,359		
Equity instruments valuation profit or loss measured at fair value through disposal of other comprehensive income	6(24)(25)	-	-	-	-	251	(251)	-	-	-	-		
Gains after disgorgement exercised	6(23)	-	23	-	-	-	-	-	23	-	23		
Decrease in non-controlling interests	6(35)	-	-	-	-	-	-	-	-	(172,200)	(172,200)		
Balance on December 31, 2023		\$ 11,043,188	\$ 28,171,512	\$ 3,780,852	\$ 76,379,565	\$ 7,373,600	(\$ 30,142,877)	(\$ 552,479)	\$ 96,053,361	\$ 2,066,469	\$ 98,119,830		

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

Chairman: Hsu, Sheng-Yu

Manager: Hsu, Chih-Chang

Accounting Manager: CHANG, Hsiu-Yen

Ruentex Industries Ltd. and Subsidiaries
Consolidated Statement of Cash Flow
For the Years Ended December 31, 2023 and 2022

Unit: NT\$ thousands

	Notes	2	0	2	3	2	0	2	2
<u>Cash flows from operating activities</u>									
Profit before Income Tax current period		\$			7,664,909	\$			13,094,199
Adjustments									
Income and expenses									
Depreciation expense	6(32)				98,744				101,631
Amortization	6(32)				2,707				3,058
Expected credit impairment losses (gains on reversal)	6(32)								
Impairment loss	6(13)(31)	(			979)				518
Gains on Financial assets at fair value through profit or loss	6(30)				-				415,570
Interest Cost	6(31)				84,978	(			243,915)
Dividend income	6(26)				289,597				379,442
Interest revenue	(29)	(			279,777 )	(			452,500)
Share of income of associates and joint ventures accounted for using the equity method	6(28)	(			548,834 )	(			220,461)
Gains on disposals of real estate, plant and equipment	6(7)	(			6,361,676 )	(			8,650,651)
Gains on disposal of assets	6(30)								
Gain on fair value change of investment property	6(30)	(			2,897 )	(			7,278)
Gains on lease modifications	6(30)	(			499,146)	(-
Gain from the price recovery of inventory declines	6(30)	(			244,050 )	(			3,163,963)
Real estate, plant and equipment transferred to expenses	6(30)	(			91)	(-
Compensation cost of employee stock options	6(3)(32)	(			40,178 )	(			110,996)
Net foreign exchange gains	6(37)				65				-
Changes in assets/liabilities relating to operating activities	6(21)				-				62,840
Net changes in assets relating to operating activities	(33)	(			21,620 )	(			833,698)
Financial assets at fair value through profit or loss		(
Notes receivable					22,984 )	(			152,231)
Notes Receivable – related party		(			61	(			114)
Accounts receivable		(			726 )	(			100)
Accounts receivable - related party					50,205	(			20,233)
Other receivables		(			257 )	(			613
Other receivables - related Party		(			3,226 )	(			3,417)
Inventories		(			116 )	(			2,517
Prepayments					21,200				146,265
Other Current Assets					36,510				15,821
Net defined benefit asset (listed as “non-current assets”)		(			86 )	(			91
Net change in liabilities related to operating activities		(			2,927 )	(			19,281)
Contract liabilities									
Notes payable					10,895				333
Notes Payable – related Party		(			1,858 )	(			86,048
Accounts Payable					43	(			88,035)
Accounts Payable – related Party		(			31,324 )	(			44,931
Other payables					8	(			18,506)
Other Payable - Related Party		(			5,399 )	(			21,996
Other Current liabilities		(			896	(			12,532)
Defined benefit liability (listed as “non-current liabilities”)		(			2,343 )	(			358)
Other non-Current liabilities					-	(			14,872)
Cash flow in from operating		(			149)	(-
Interest received					190,175				362,732
Interest paid					595,179				163,411
Income tax paid		(			290,732 )	(			381,180)
Income tax refunded		(			771,246 )	(			939,705)
Cash outflow from operating activities					19,051				-
		(			257,573 )	(			794,742)

(Continued)

Ruentex Industries Ltd. and Subsidiaries
Consolidated Statement of Cash Flow
For the Years Ended December 31, 2023 and 2022

Unit: NT\$ thousands

	Notes	2	0	2	3	2	0	2	2
<u>Cash flows from investing activities</u>									
Acquisition of financial assets at fair value through other comprehensive income	6(5)					(\$		464,608)	(\$ 104,676)
Disposal of financial assets at fair value through other comprehensive income	6(5)				-			1,299,428	
Distribution of dividends at investment cost through financial assets at fair value through other comprehensive income	6(5)				7,290				-
Share capital returned from capital reduction in financial assets at fair value through other comprehensive income	6(5)				1,499				-
Acquisition of financial assets at amortized cost					(77,260)			(4,168,988)	
Disposal of financial assets at amortized cost					438,817				-
Investment under the equity method acquired	6(7)				(127,000)			(100,000)	
Return of funds to reduced investment adopting the Equity method	6(7)								-
Acquisition of property, plant and equipment	6(37)				(14,575)			(20,049)	
Disposal of real estate properties, plants and equipment	6(37)				706				4,276
Investment real estate acquired	6(37)				(149)			(747)	
Disposal of investment property	6(3)				539,232				-
Acquisition of intangible assets	6(37)				(1,049)			(1,733)	
Increase in refundable deposits (listed in “other non-current assets”)					-			(252)	
Decrease in refundable deposits (listed in “other non-current assets”)					215				-
Increase in prepayments for business facilities (recognized in “other non-current assets”)					(2,752)				-
Increase in other non-current assets					(861)			(208)	
Dividends received					279,777			2,790,557	
Net cash inflow (outflow) of the investment activities					1,391,491			(302,392)	
<u>Cash flows from financing activities</u>									
Increase (decrease) in short-term borrowings	6(38)				(1,940,000)			1,190,000	
Decrease in short-term bills payable	6(38)				(500,000)			(1,780,000)	
Proceeds from long-term borrowings	6(38)				34,290,000			41,132,500	
Repayments of long-term borrowings	6(38)				(32,995,000)			(58,665,000)	
Increase in guarantee deposits received (listed in “other non-current liabilities”)	6(38)				129,292			101,258	
Decrease in guarantee deposits received (listed in “other non-current liabilities”)	6(38)				(82,056)			(85,379)	
Principal elements of lease payments	6(9)(38)				(51,956)			(52,103)	
Cash dividends paid	6(24)				(2,168,385)			(3,570,962)	
Cash Capitalization	6(22)				-			18,500,000	
Net changes in non-controlling interest	6(35)				(172,200)				-
Disorgement exercised	6(23)				23			9	
Cash used in financing activities					(3,490,282)			(3,229,677)	
Net effect of changes in foreign currency exchange rates on cash and cash equivalent					55,739			1,205,900	
Decrease of cash and cash equivalents current period					(2,300,625)			(3,120,911)	
Cash and cash equivalents, beginning of period					9,549,587			12,670,498	
Cash and cash equivalents, end of period					\$ 7,248,962			\$ 9,549,587	

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

Chairman: Hsu, Sheng-Yu

Manager: Hsu, Chih-Chang

Accounting Manager: Chang, Hsiu-Yen

Independent Auditors' Report

(2024) Cai-Shen-Bao-Zi No. 23004971

To Ruentex Industries Ltd.:

Audit Opinions

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

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

Basis of Audit Opinions

We conducted our audits in accordance with the Rules Governing Auditing and Certification of Financial Statements by Certified Public Accountants and auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Unconsolidated 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. In view of the audit result concluded by our representatives and the audits concluded by other independent auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the Company for the year ended December 31, 2022. These matters were addressed in the context of our audit opinion of the unconsolidated 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 for the Company's unconsolidated financial statements for the year ended December 31, 2023 are stated as follows:

Accuracy of Investment Balance Accounted for using equity method

Description of Key Audit Matters

The investment balance under equity method of the Company as of December 31, 2022 was NT\$85,991,644 thousand, representing 75.347% of total Assets. For the accounting policy related to investments under equity method, please refer to Unconsolidated Financial Statements Note 4(14). For the explanation on the accounts, please refer to Financial Statements Note 6(7).

As the investments using the equity method involved the domestic and overseas investments at multiple levels and cross shareholdings. It was a complicated calculation and the amount of the above matters had a significant impact, and it required a great deal of manpower to audit it. Therefore, we believe that the correctness of the investment balance using the equity method is one of this year's key audit matters.

Corresponding Audit Procedures

We summarize the audit procedures executed for the aforementioned key audit matters as follows:

1. We assessed the consistency of the internal control and the accounting process adopted by the management on the investments under equity method.
2. We obtained the investment profit/loss and equity account calculation form and the annual financial statements of investees audited by independent auditors from the management re-calculated the investment profit/loss and equity account amounts, and entered into account appropriately.

Measurement of Investment Property Fair Value

Description of Key Audit Matters

Ruentex Industries' Board of Directors resolved a decision to change the accounting policy on investment property on July 28, 2023, to adopt the fair value model, rather than the cost model, for subsequent measurement, so the accounting policy was applied retrospectively to adjust the affected items.

As the assessment of fair value involves significant accounting estimates and judgments by management, the auditor believes that the fair value assessment of investment properties is the most important matter for audit during the period.

Please refer to Notes 4(17) and (29) to the unconsolidated financial statements for the accounting policy on investment property; Note 5 for the uncertainties of accounting estimates and assumptions; Note 6(11) for the details of accounting titles; Note 12(3) for the details of fair values.

Corresponding Audit Procedures

We summarize the audit procedures executed for the aforementioned key audit matters as follows:

1. Valuation of the professional competence and independence of the independent appraiser by the management. And discuss with management the scope of work and appointment method of the valuation personnel to ensure that there are no factors that affect their independence or limit their scope of work.
2. Evaluate the judgments made by the independent appraiser used by management, including whether the appraisal method and the key assumptions used are reasonable.
3. Verify the accuracy and completeness of the data used by the independent valuer employed by the management during the evaluation process.

Other Matters - Reference to Audits by Other Accountants

For the investee listed in the aforementioned unconsolidated financial statements under equity method, its financial statements was not audited by our representatives, but was audited by other independent auditors. Accordingly, regarding our opinion on the aforementioned unconsolidated financial statements, relevant amount listed in financial statements of such company was based on the audit report by other independent auditors. As of December 31, 2023 and 2022, the investment balances under equity method for the aforementioned companies were NT\$2,736,661 thousand and NT\$3,281,735 thousand, representing 2.398% and 3.297% of the total Assets. For the period of 2023 and January 1 to December 31, 2022 the share of profit of associates under equity method and other comprehensive income of the aforementioned companies were NT\$(432,374) thousand and NT\$(300,728) thousand, representing 2.327% and 0.548% of the comprehensive income.

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

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Firms, and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial

statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, the 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's 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.

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated 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 auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatement may be caused by fraud or error. Misstatements 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 unconsolidated financial statements.

As part of an audit in accordance with the auditing standards in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. Also:

1. Identify and assess the risk of material misstatement of the unconsolidated financial statements due to fraud or error, design and adopt appropriate countermeasures for the risks assessed, and obtain sufficient and appropriate audit evidences in order to be used as the basis for the audit 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. We 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 unconsolidated financial statements or, if such disclosures are inadequate, to modify our audit 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 unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidences for the financial information of individual entity of the Company and provide opinions on its respective unconsolidated financial statements. We handle the guidance, supervision and execution of the audit on the Company and are responsible for preparing the audit opinion for the Company.

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 the governance units with statements that we have complied with relevant matters that may reasonably be thought to bear on our independence, and we have also communicated with the governance units on all relationships and other matters, including relevant protective measure, that may be considered to affect the independence of auditors.

From the matters communicated with those charged with governance, we determine those matters that were of the most significance in the audit of the unconsolidated financial statements for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation preclude 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.

PwC Taiwan

Shu-chiung Chang

CPA

Seanh Hsu

Former Financial Supervisory Commission,
Executive Yuan

Approval Certificate No.: Jin-Guan-Zheng-Shen-Zi
No. No. 0990042602

Former Financial Supervisory Commission,
Executive Yuan

Approval Certificate No.: Jin-Guan-Zheng-Shen-Zi
No. No. 1050029449

March 13, 2024

Ruentex Industries Ltd.
Unconsolidated Balance Sheet
December 31, 2023 and 2022

Unit: NT\$ thousands

Assets		Notes	D e c e m b e r 3 1 , 2 0 2 3		D e c e m b e r 3 1 , 2 0 2 2	
			A m o u n t	%	A m o u n t	%
Current Assets						
1100	Cash and cash equivalents	6(1)	\$ 4,106,984	4	\$ 6,203,663	6
1150	Net bills receivable	6(2)	287	-	380	-
1160	Bills receivable - related parties - net	6(2) and 7	840	-	6,229	-
1170	Net Accounts Receivable	6(2) and 12(2)	124,039	-	151,932	-
1180	Accounts receivable - related parties	6(2), 7 and 12				
	- net	(2)	7,136	-	12,754	-
1200	Other receivables		24,193	-	67,037	-
1210	Other Receivables - related party	7	12,396	-	12,951	-
130X	Inventories	6(3) and 8	369,875	-	384,760	1
1410	Prepayments		17,059	-	38,407	-
1470	Other Current Assets		300	-	215	-
11XX	Total current assets		4,663,109	4	6,878,328	7
Non-current assets						
1510	Financial assets at fair value through	6(4)				
	profit or loss - non-current		3,030,078	3	3,092,072	3
1517	Financial assets at fair value through	6(5), 7 and 8				
	other comprehensive income - non-					
	current		4,813,621	4	4,594,793	5
1535	Amortized cost financial Assets -	6(6) and 8				
	non-Current		4,522,468	4	4,951,510	5
1550	Investments accounted for using	6(7), 7 and 8				
	equity method		85,991,644	75	69,159,337	69
1600	Property, plant, and equipment	6(8) and 8	1,021,664	1	1,042,684	1
1755	Right-of-use assets	6(9)	248,446	-	303,630	-
1760	Net value of investment properties	6(3)(11) and 8	8,749,963	8	8,512,113	9
1780	Intangible assets	6(12)	862	-	1,385	-
1840	Deferred tax Assets	6(33)	1,011,821	1	942,164	1
1900	Other non-current Assets	6(13)(19)	73,856	-	68,952	-
15XX	Total non-current assets		109,464,423	96	92,668,640	93
1XXX	Total Assets		\$ 114,127,532	100	\$ 99,546,968	100

(Continued)

Ruentex Industries Ltd.
Unconsolidated Balance Sheet
December 31, 2023 and 2022

Unit: NT\$ thousands

			D e c e m b e r 3 1 , 2 0 2 3		D e c e m b e r 3 1 , 2 0 2 2	
			A m o u n t	%	A m o u n t	%
Liabilities and Equity			Notes			
Current liabilities						
2100	Short-term borrowings	6(14) and 8	\$ 350,000	1	\$ 2,290,000	2
2110	Short-term bills payable	6(15) and 8	-	-	499,698	1
2130	Contract liabilities - current	6(25)	34,804	-	23,348	-
2150	Notes payable		96,919	-	98,430	-
2160	Notes payable - related party	7	377	-	333	-
2170	Accounts Payable		195,008	-	186,449	-
2180	Accounts payable - related party	7	9,558	-	21,300	-
2200	Other payables	6(16)	271,768	-	291,401	-
2220	Other Payable - Related Party	7	1,541	-	1,268	-
2230	Income tax liabilities of current period		526	-	678,299	1
2280	Lease liabilities - current	6(9)	59,634	-	59,734	-
2320	Long-term liabilities due within one year or one operating cycle	6(17) and 8	850,000	1	1,975,000	2
2399	Other current liabilities - other		8,453	-	10,777	-
21XX	Total Current Liabilities		1,878,588	2	6,136,037	6
Non-current liabilities						
2540	Long-term borrowings	6(17) and 8	13,795,000	12	11,375,000	11
2570	Deferred income tax liabilities	6(33)	1,416,088	1	1,441,705	2
2580	Lease liabilities - non-current	6(9)	194,641	-	249,356	-
2600	Other non-Current liabilities	6(18)	789,854	1	743,671	1
25XX	Total Non-Current Liabilities		16,195,583	14	13,809,732	14
2XXX	Total Liabilities		18,074,171	16	19,945,769	20
Equity						
3110	Share capital	6(21)	11,043,188	10	11,043,188	11
3200	Capital surplus	6(22)	28,171,512	25	28,091,265	28
	Retained earnings	6(23)				
3310	Legal reserve		3,780,852	3	4,601,302	5
3320	Special reserve		76,379,565	67	13,067,008	13
3350	Undistributed earnings		7,373,600	6	64,700,745	65
3400	Other Equities	6(24)	(30,142,877)	(26)	(41,349,830)	(41)
3500	Treasury stock	6(21)	(552,479)	(1)	(552,479)	(1)
3XXX	Total Equity		96,053,361	84	79,601,199	80
	Significant Contingent Liabilities and Unrecognized Commitments	9				
	Significant subsequent events	11				
3X2X	Total Liabilities and Equity		\$ 114,127,532	100	\$ 99,546,968	100

The attached unconsolidated financial statement and notes are parts of this unconsolidated financial report, please refer to them all together.

Chairman: Hsu, Sheng-Yu

Manager: Hsu, Chih-Chang

Accounting Manager: CHANG, Hsiu-Yen

Ruentex Industries Ltd.
Unconsolidated Statements of Comprehensive Income
For the Years Ended December 31, 2023 and 2022

Unit: NT\$ thousands
(Except earnings per share, which is in NT\$)

	Item	Notes	2022		2023	
			A m o u n t	%	A m o u n t	%
4000	Operation Income	6(25) and 7	\$ 2,417,600	100	\$ 2,627,178	100
5000	Operation cost	6(26)(31)(32) and 7	(1,640,084)	(68)	(1,859,732)	(71)
5900	Gross Profit		<u>777,516</u>	<u>32</u>	<u>767,446</u>	<u>29</u>
	Operating Expenses	6(20)(31)(32)				
6100	Selling expenses		(573,908)	(24)	(572,219)	(22)
6200	General & administrative expenses		(243,675)	(10)	(295,580)	(11)
6450	Expected credit impairment gains (losses)	12(2)	<u>979</u>	<u>-</u>	<u>(518)</u>	<u>-</u>
6000	Total Operating Expenses		<u>(816,604)</u>	<u>(34)</u>	<u>(868,317)</u>	<u>(33)</u>
6900	Operating Loss		<u>(39,088)</u>	<u>(2)</u>	<u>(100,871)</u>	<u>(4)</u>
	Non-operating Income and Expenses					
7100	Interest revenue	6(27) and 7	477,530	20	201,465	8
7010	Other income	6(28) and 7	268,518	11	396,422	15
7020	Other gains and losses	6(29)	726,385	30	4,576,302	174
7050	Financial Costs	6(30)	(291,486)	(12)	(381,415)	(15)
7070	Share of other comprehensive gains and losses of subsidiaries, affiliates and joint ventures recognized using the Equity method	6(7)	<u>6,445,513</u>	<u>267</u>	<u>8,506,918</u>	<u>324</u>
7000	Total non-operating income and expenses		<u>7,626,460</u>	<u>316</u>	<u>13,299,692</u>	<u>506</u>
7900	Net profit before tax		<u>7,587,372</u>	<u>314</u>	<u>13,198,821</u>	<u>502</u>
7950	Income tax expense	6(33)	(87,752)	(4)	(1,030,430)	(39)
8200	Net income of current period		<u>\$ 7,499,620</u>	<u>310</u>	<u>\$ 12,168,391</u>	<u>463</u>
	Other comprehensive income (net)					
	Items not to be reclassified into profit or loss					
8311	Remeasurement of defined benefit plan	6(19)	(\$ 1,289)	-	\$ 6,664	-
8316	Unrealized profit or loss on equity investments at fair value through other comprehensive income	6(5)	(236,991)	(10)	(438,476)	(16)
8330	Share of other comprehensive income of subsidiaries, associates & joint ventures accounted for using equity method - items not to be reclassified into profit or loss	6(24)	(547,246)	(23)	(599,980)	(23)
8349	Income tax relating to non-reclassified items	6(33)	<u>136,320</u>	<u>6</u>	<u>55,697</u>	<u>2</u>
8310	Total of items not to be reclassified into profit or loss		<u>(649,206)</u>	<u>(27)</u>	<u>(976,095)</u>	<u>(37)</u>
	Items may be reclassified subsequently to profit or loss					
8380	Share of other comprehensive income of subsidiaries, associates & joint ventures accounted for using equity method - items that may be reclassified to profit or loss	6(24)	11,755,920	487	(66,562,433)	(2533)
8399	Income tax related to items may be reclassified into profit or loss	6(33)	<u>(25,781)</u>	<u>(1)</u>	<u>529,707</u>	<u>20</u>
8360	Total of items may be reclassified subsequently to profit or loss		<u>11,730,139</u>	<u>486</u>	<u>(66,032,726)</u>	<u>(2513)</u>
8300	Other comprehensive income (net)		<u>\$ 11,080,933</u>	<u>459</u>	<u>(\$ 67,008,821)</u>	<u>(2550)</u>
8500	Total Comprehensive Income Current Period		<u>\$ 18,580,553</u>	<u>769</u>	<u>(\$ 54,840,430)</u>	<u>(2087)</u>
	Earnings per share	6(34)				
9750	Basic earnings per share		<u>\$ 7.19</u>		<u>\$ 15.55</u>	
9850	Diluted earnings per share		<u>\$ 7.18</u>		<u>\$ 15.53</u>	

The attached unconsolidated financial statement and notes are parts of this unconsolidated financial report, please refer to them all together.

Chairman: Hsu, Sheng-Yu

Manager: Hsu, Chih-Chang

Accounting Manager: CHANG, Hsiu-Yen

Ruentex Industries Ltd.
Individual Equity Statement
For the Years Ended December 31, 2023 and 2022

Unit: NT\$ thousands

	N o t e s	Share capital	Capital surplus	R e t a i n e d e a r n i n g s			Treasury stock	Total Equity
				Legal reserve	Special reserve	Undistributed earnings		
2022								
Balance on January 1, 2022		\$ 7,343,188	\$ 13,091,165	\$ 3,019,067	\$ 13,067,008	\$ 56,072,695	\$ 552,479	\$ 119,413,123
Net income of current period	6(23)	-	-	-	-	12,168,391	-	12,168,391
Other comprehensive income	6(23)(24)	-	-	-	-	278,600	-	(67,008,821)
Total Comprehensive Income Current Period		-	-	-	-	12,446,991	-	(54,840,430)
Appropriation and distribution of the earnings for 2021:	6(23)	-	-	-	-	-	-	-
Legal reserve		-	-	1,582,235	-	(1,582,235)	-	-
Cash dividends		-	-	-	-	(3,671,594)	-	(3,671,594)
Cash Capitalization	6(21)	3,700,000	14,800,000	-	-	-	-	18,500,000
share-based payment transaction	6(20)(22)	-	62,840	-	-	-	-	62,840
Cash dividends received by subsidiaries from the parent company	6(22)	-	100,632	-	-	-	-	100,632
Overdue dividends not collected by shareholders	6(22)	-	1,931	-	-	-	-	1,931
Changes in associates & joint ventures accounted for using equity method	6(22)(23)(24)	-	34,688	-	-	288,906	(288,906)	34,688
Equity instruments valuation profit or loss measured at fair value through disposal of other comprehensive income	6(23)(24)	-	-	-	-	-	-	-
Gains after disengagement exercised	6(22)	-	9	-	-	1,145,982	(1,145,982)	-
Balance on December 31, 2022		\$ 11,043,188	\$ 28,091,265	\$ 4,601,302	\$ 13,067,008	\$ 64,700,745	\$ 552,479	\$ 79,601,199
2023								
Balance on January 1, 2023		\$ 11,043,188	\$ 28,091,265	\$ 4,601,302	\$ 13,067,008	\$ 64,700,745	\$ 552,479	\$ 79,601,199
Net income of current period	6(23)	-	-	-	-	7,499,620	-	7,499,620
Other comprehensive income	6(23)(24)	-	-	-	-	(126,306)	-	11,080,933
Total Comprehensive Income Current Period		-	-	-	-	7,373,314	-	18,580,553
Appropriation and distribution of the earnings for 2022:	6(23)	-	-	-	-	-	-	-
Legal reserve		-	-	1,388,188	-	(1,388,188)	-	-
Special reserve		-	-	(2,208,638)	63,312,557	(63,312,557)	-	(2,208,638)
Cash dividends		-	-	-	-	-	-	-
Cash dividends received by subsidiaries from the parent company	6(22)	-	40,253	-	-	-	-	40,253
Overdue dividends not collected by shareholders	6(22)	-	13,612	-	-	-	-	13,612
Changes in associates & joint ventures accounted for using equity method	6(22)(23)(24)	-	26,359	-	-	35	(35)	26,359
Equity instruments valuation profit or loss measured at fair value through disposal of other comprehensive income	6(23)(24)	-	-	-	-	-	-	-
Gains after disengagement exercised	6(22)	-	23	-	-	251	(251)	23
Balance on December 31, 2023		\$ 11,043,188	\$ 28,171,512	\$ 3,780,852	\$ 76,379,565	\$ 7,373,600	\$ 552,479	\$ 96,053,361

The attached unconsolidated financial statement and notes are parts of this unconsolidated financial report, please refer to them all together.

Chairman: Hsu, Sheng-Yu

Manager: Hsu, Chih-Chang

Accounting Manager: CHANG,
Hsiu-Yen

Ruentex Industries Ltd.
Individual Statements of Cash Flows
For the Years Ended December 31, 2023 and 2022

Unit: NT\$ thousands

	Notes	2	0	2	3	2	0	2	2
<u>Cash flows from operating activities</u>									
Profit before Income Tax current period		\$			7,587,372	\$			13,198,821
Adjustments									
Income and expenses									
Depreciation expense	6(31)				95,612				97,838
Amortization	6(31)				2,476				2,524
Expected credit impairment losses (gains on reversal)	6(31)				(979)				518
Losses (gains) on financial assets at fair value through profit or loss	6(29)				84,978	(			243,915)
Interest Cost	6(30)				291,486				381,415
Dividend income	6(28)				(205,577 )	(			330,762)
Interest revenue	6(27)				(477,530 )	(			201,465)
Share of income of associates and subsidiaries accounted for using the equity method	6(7)								
Gains on disposals of real estate, plant and equipment	6(29)				(6,445,513 )	(			8,506,918)
Gains on disposal of assets	6(3)(29)				(3,953 )	(			8,503)
Gain on fair value change of investment property	6(29)				(499,146)				-
Gains on lease modifications	6(29)				(237,850 )	(			3,166,963)
Gain from the price recovery of inventory declines	6(3)(31)				(24)				-
Real estate, plant and equipment transferred to expenses	6(35)				(40,158 )	(			111,571)
Compensation cost of employee stock options	6(20)(32)				65				-
Net foreign exchange gains					-				62,840
Changes in assets/liabilities relating to operating activities					(22,196 )	(			835,072)
Net changes in assets relating to operating activities									
Financial assets at fair value through profit or loss					(22,984 )	(			152,231)
Notes receivable					94	(			100)
Notes Receivable – related party					5,388	(			6,229)
Accounts receivable					28,519				617
Accounts receivable - related party					5,618	(			3,199)
Other receivables					(1,836 )	(			2,762)
Other receivables - related Party					555				1,540
Inventories					14,957				150,624
Prepayments					21,348	(			25,231)
Other Current Assets					(85)				35
Net defined benefit assets					(3,635 )	(			19,281)
Net change in liabilities related to operating activities									
Contract liabilities					11,456	(			999)
Notes payable					(1,511)				86,581
Notes Payable – related Party					44	(			88,034)
Accounts Payable					8,559				49,067
Accounts Payable – related Party					(11,742 )	(			51,385)
Other payables					(4,882)				20,354
Other Payable - Related Party					273	(			12,532)
Other Current liabilities					(2,324 )	(			279)
Defined benefit liability					-	(			15,004)
Cash flow in from operating					176,875				270,339
Interest received					524,411				146,003
Interest paid					(292,621 )	(			383,154)
Income tax paid					(770,976 )	(			939,570)
Income tax refunded					19,034				-
Cash outflow from operating activities					(343,277 )	(			906,382)

(Continued)

<u>Cash flows from investing activities</u>		
Acquisition of financial assets at fair value through other comprehensive income	6(5)	(\$ 464,608) (\$ 99,689)
Disposal of financial assets at fair value through other comprehensive income	6(5)	- 1,299,428
Distribution of dividends at investment cost through financial assets at fair value through other comprehensive income	6(5)	7,290 -
Share capital returned from capital reduction in financial assets at fair value through other comprehensive income	6(5)	1,499 -
Acquisition of financial assets at amortized cost		(46,546) (4,168,988)
Disposal of financial assets at amortized cost		438,817 -
Investment under the equity method acquired	6(7)	(127,000) (100,000)
Return of funds to reduced investment adopting the Equity method	6(7)	985,880 -
Acquisition of property, plant and equipment	6(35)	(14,555) (20,001)
Disposal of real estate properties, plants and equipment		706 4,291
Investment real estate acquired	6(35)	(149) (747)
Disposal of investment property	6(3)	539,232 -
Acquisition of intangible assets	6(35)	(1,049) (1,733)
Decrease (increase) in refundable deposits (listed in "other non-current assets")		149 (131)
Increase in prepayments for business facilities (recognized in "other non-current assets")		(2,752) -
Increase in other non-current assets		(859) (208)
Dividends received		236,871 2,668,819
Net cash inflow (outflow) of the investment activities		1,552,926 (418,959)
<u>Cash flows from financing activities</u>		
Increase (decrease) in short-term borrowings	6(36)	(1,940,000) 1,190,000
Decrease in short-term bills payable	6(36)	(500,000) (1,780,000)
Proceeds from long-term borrowings	6(36)	34,290,000 41,132,500
Repayments of long-term borrowings	6(36)	(32,995,000) (58,665,000)
Increase in guarantee deposits received (listed in "other non-current liabilities")	6(36)	129,284 101,256
Decrease in guarantee deposits received (listed in "other non-current liabilities")	6(36)	(82,044) (85,376)
Principal elements of lease payments	6(9)(36)	(59,273) (59,064)
Cash dividends paid	6(23)	(2,208,638) (3,671,594)
Cash Capitalization	6(21)	- 18,500,000
Disgorgement exercised	6(22)	23 9
Cash used in financing activities		(3,365,648) (3,337,269)
Net effect of changes in foreign currency exchange rates on cash and cash equivalent		59,320 927,416
Decrease of cash and cash equivalents current period		(2,096,679) (3,735,194)
Cash and cash equivalents, beginning of period		6,203,663 9,938,857
Cash and cash equivalents, end of period		\$ 4,106,984 \$ 6,203,663

The attached unconsolidated financial statement and notes are parts of this unconsolidated financial report, please refer to them all together.

Ruentex Industries Ltd.

"The Articles of Incorporation" Amendment List

After amendment	Before amendment	Description
<p>Article 34-1</p> <p>If after the annual closing of books, there is a profit, the Company shall, after having provided for income taxes and offset the accumulated losses of previous years, retain the 10% legal reserve; Where such legal reserve amounts to the total <u>paid-in</u> capital of the Company, this provision shall not apply. If the balance (distributable profits for the current year), together with the undistributed earnings in the previous year and retained special reserves prescribed by laws and regulations, are available for distribution, the Board shall present a proposal on dividends, or retention at a shareholders' meeting for resolution.</p> <p>(Omitted)</p>	<p>Article 34-1</p> <p>If after the annual closing of books, there is a profit, the Company shall, after having provided for income taxes and offset the accumulated losses of previous years, retain the 10% legal reserve; Where such legal reserve amounts to the total capital of the Company, this provision shall not apply. If the balance (distributable profits for the current year), together with the undistributed earnings in the previous year and retained special reserves prescribed by laws and regulations, are available for distribution, the Board shall present a proposal on dividends, or retention at a shareholders' meeting for resolution.</p> <p>(Omitted)</p>	<p>Revision to this article is made in accordance with the proviso to Article 228-1, paragraph 3 of the Company Act.</p>
<p><u>Article 34-2</u></p> <p><u>The Company's dividend policy is based on the Company Act and the Company's Articles of Incorporation, which allow the Company to consider the financial, business, operational and capital budgeting factors, while taking into account shareholders' interests, balanced dividends, and the Company's long-term financial planning. A distribution plan by the Board shall be submitted to the shareholders' meeting. However, keeping within the available surplus for distribution, the dividends to shareholders shall be no less than 30 percent of the balance amount derived from taking the after-tax profit of the current year less the profit set</u></p>	<p>Article 34-2</p> <p><u>The Company's dividend policy adopts the remaining dividend policy. According to the future capital budget planning, the future capital demand of the Company is measured, and after the necessary capital is retained for financing purpose, the remaining earnings can then be distributed in the method of cash dividends.</u></p>	<p>This provision is amended in accordance with the Q&A on Sound Dividend Policy published by the Securities and Futures Bureau, Financial Supervisory Commission.</p>

After amendment	Before amendment	Description
<u>aside as legal reserve and special reserve, the cash dividend ratio shall not be less than 30 percent of the total dividend distribution for the year.</u>		
Article 36 <u>By adding the words "the 40th amendment to be made on June 27, 2024" to the original clause.</u>	Article 36 (Original clause).	Addition of the fortieth amendment

Ruentex Industries Ltd.

List of Candidates for Directors and Independent Directors

1. List of candidates for directors

Shareholder account no.	Name	Education and experience	Shareholding (Shares)
014328	Huei Hong Investment Co., Ltd. Representative : Hsu, Sheng-Yu	Business Administration, National Taiwan University CFO, RT-Mart China Chairman, Ruentex Industries Ltd. Chairman, Kompass Global Sourcing Solutions Ltd. Director, Ruen Chen Investment Holding Co., Ltd. Director, Ruentex Development Co., Ltd. Director, Ruentex Material Co., Ltd. Director, Ruentex Hsu Chan Co. Ltd.	44,434,910
014328	Huei Hong Investment Co., Ltd. Representative : Hsu, Chih-Chang	Ph.D. in Economics & Decision Sciences, Northwestern University, USA President, Ruentex Industries Ltd. Director, Kompass Global Sourcing Solutions Ltd. Director, Ruentex Industries Ltd.(Shanghai) Vice superintendent, Shu-Tien Urology Ophthalmology Clinic	44,434,910
014330	Run Tai Sing Co., Ltd. Representative: Yin, Chung-Yao	PhD, University of Oxford, UK Chairman, Nan Shan Life Insurance Co., Ltd. Chairman, Nan Shan Life Charity Foundation. Director of Nan Shan General Insurance Co., Ltd. ∙ Ruen Chen Investment Holdings Ltd. ∙ Ruentex Development Co., Ltd. ∙ Ruentex Engineering & Construction Co., Ltd. ∙ Ruentex Materials Co., Ltd. ∙ Ruentex Xu-Zhan Development co., Ltd. ∙ Pon Lin Investment Ltd. ∙ Chang Quan Investment Co., Ltd. ∙ Yi Tai Investment Co., Ltd. ∙ Ren Ying Industrial Co., Ltd. ∙ Yingjia Investment Co., Ltd ∙ Sheng Cheng Investment Co., Ltd. ∙ Ruentex Leasing Co.,Ltd. ∙ Ruentex Xing Co. Ltd. ∙ Ruen Hua Dyeing & Weaving Co., Ltd. ∙ Gin-Hong Investment Co., Ltd. ∙ Gogoro Taiwan Limited ∙ GoShare Taiwan Limited ∙ Gogoro Taiwan Sales and Services Limited ∙ Gogoro Network (Cayman) ∙ Obigen Pharma, INC. ∙ Gogoro Inc. ∙ Tang Prize Foundation ∙ Yin Chu-tien medical Foundation and Mr. Hsun-Ruo YIN Educational Foundation.	13,196,792
014330	Run Tai Sing Co., Ltd. Representative: Lee, Tien-Chien	Department of Business Management, Tatung Institute of Technology Vice President, Ruentex Industries Ltd. Chairman, Run Tai Sing Co., Ltd. Director, Sunny Friend Environmental Technology Co., Ltd. Director, Shing Yen Construction & Development Co., Ltd.	13,196,792
201834	Shu-Tien Urology and Ophthalmology Clinic Representative: Lee, Chih-Hung	MBA, Institute of Business Administration, National Taiwan University Chairman, Ruentex Material Co., Ltd. President, Ruentex Development Co., Ltd. Director, Ruentex Engineering & Construction Co., Ltd. Director, Ruentex Construction International Co., Ltd. Director, Ruentex Hsu Chan Co. Ltd. Director, Ruentex Pai Yi Co., Ltd. Director, Ruentex Development Co., Ltd.	17,066,844

Shareholder account no.	Name	Education and experience	Shareholding (Shares)
201834	Shu-Tien Urology and Ophthalmology Clinic Representative: Yen, Tien-Cheng	Department of Management Science, NCTU Vice President of Finance Department, Ruentex Development Co., Ltd. Director, Sunny Friend Environmental Technology Co., Ltd. Director, Ruentex Pai Yi Co., Ltd. Director, Gin-Hong Investment Co., Ltd.	17,066,844

2. List of candidates for independent directors:

Name	Education and experience	Shareholding (Shares)
Tang, Gia-Khy	Ph.D. in Decision and Information Sciences, Indiana University, USA Assistant Professor, Department of Information Management, University of Maryland, USA Associate Professor, Department of Information Management, National Taiwan University of Science and Technology Associate Professor/Professor/Director of Data Mining Center, Department of Risk Management & Insurance, National Chengchi University Basel II Project Manager, Fubon Financial Holding Co., Ltd. Chief Consultant/Technical Director, SPSS-China, IBM/SPSS-Taiwan Visiting Professor in Financial Education and Research Center, Central University of Finance and Economics, Beijing Professor, School of Statistics, Renmin University of China, Beijing Professor, Data Mining Center, Xiamen University, Xiamen Chief Consultant, Alliance Technology Co., Ltd. (IBM) Chief Risk Officer, Global Life Insurance Co., Ltd. Vice President, Beijing Ifudata Information Technology Co. Ltd. Director of Risk Management, Shanghai WangZi Finance Leasing Co., Ltd.	0
Chen, Shou-Jen	MA, Department of Business Administration, NCHU President of HR Dept., Concord (China) Ltd.(Since 2002 to 2020) President, Ruen Fu Newlife Corp.(Since 1996 to 2002)	0
Chen, Miao-Fang	Graduated from Taipei Municipal Shilin High School of Commerce Financial officer of Ruentex Industries Limited Vice financial manager of Manger Kwanghua Securities Investment & Trust Co., LTD. Financial manager of Ruentex Construction & Engineering Co., Ltd.	0

Reasons for the nomination of a candidate, who have served for three consecutive terms, as an independent director:

If an independent director has already served as an independent director of a public company for three consecutive terms or more, the Company shall publicly disclose, together with the results of the above-stated review, the reasons why the candidate is nominated again for the independent directorship, and present the reasons to the shareholders at the time of the election at the shareholders meeting as per Article 5 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

The reason that the Company continues to nominate the candidate, who has served as an independent director for three consecutive terms, as an independent director candidate is as follows:

Name	Descriptions
Tang, Gia-Khy	<p>Mr. Tang, Gia-Khy does not hold any shares in the Company and is not related to any managers at the Company and, therefore, is independent of the Company.</p> <p>Considering Mr. Tang, Gia-Khy has taught at many domestic and foreign universities and served as a senior manager in many companies. He has extensive experience in business management and academic background. During his three terms in office (up to March 13, 2024), he attended 105 of the 109 board meetings in person, with an attendance rate of 96.33%. For the board meetings that he did not attend in person, he had appointed and authorized other independent directors to express opinions. With his expertise in risk management and big data analysis, he has provided many valuable suggestions at the meetings of the Board of Directors and the Audit Committee, which are of great help to the Company's corporate governance and the diversity of the Board of Directors. Therefore, the Company hopes to continue to rely on the expertise of Mr. Tang, Gia-Khy to continue to supervise the board of directors and offer professional advice. Hence, he is listed as one of the independent director candidates.</p>

Ruentex Industries Ltd.

List of the lifting of the non-competition restrictions on the Board of Directors

Name	Current Positions within the Scope of the Company's Business
Huei Hong Investment Co., Ltd. Representative : Hsu, Sheng-Yu	Chairman, Kompass Global Sourcing Solutions Ltd. Director, Ruen Chen Investment Holding Co., Ltd. Director, Ruentex Development Co., Ltd. Director, Ruentex Material Co., Ltd. Director, Ruentex Hsu Chan Co. Ltd.
Huei Hong Investment Co., Ltd. Representative : Hsu, Chih-Chang	Director, Kompass Global Sourcing Solutions Ltd.
Huei Hong Investment Co., Ltd. Representative : Yen, Tien-Cheng	Director, Sunny Friend Environmental Technology Co., Ltd. Director, Ruentex Pai Yi Co., Ltd.
Run Tai Sing Co., Ltd.	Director, Ruentex Development Co., Ltd. Chairman & Director, Ruen Shin Healthcare Co., Ltd.
Run Tai Sing Co., Ltd. Representative: Yin, Chung-Yao	Chairman, Nan Shan Life Insurance Co., Ltd. Director of Nan Shan General Insurance Co., Ltd. ∙ Ruen Chen Investment Holdings Ltd. ∙ Ruentex Industries Ltd. ∙ Ruentex Development Co., Ltd. ∙ Ruentex Engineering & Construction Co., Ltd. ∙ Ruentex Materials Co., Ltd. ∙ Ruentex Xu-Zhan Development co., Ltd. ∙ Pon Lin Investment Ltd. ∙ Chang Quan Investment Co., Ltd. ∙ Yi Tai Investment Co., Ltd. ∙ Ren Ying Industrial Co., Ltd. ∙ Yingjia Investment Co., Ltd ∙ Sheng Cheng Investment Co., Ltd. ∙ Ruentex Leasing Co.,Ltd. ∙ Ruentex Xing Co. Ltd. ∙ Ruen Hua Dyeing & Weaving Co., Ltd. ∙ Gin-Hong Investment Co., Ltd. ∙ Gogoro Taiwan Limited ∙ GoShare Taiwan Limited ∙ Gogoro Taiwan Sales and Services Limited ∙ Gogoro Network (Cayman) ∙ Obigen Pharma, INC. ∙ Gogoro Inc.
Run Tai Sing Co., Ltd. Representative: Lee, Tien-Chien	Chairman, Run Tai Sing Co., Ltd. Chairman, Peng Lin Investment Ltd. Chairman, Gin-Hong Investment Co., Ltd. Director, Sunny Friend Environmental Technology Co., Ltd. Director, Ruen Chen Investment Holding Co., Ltd. Director, Shing Yen Construction & Development Co., Ltd. Director, TaiMed Biologics Director, Ren Ying Industria Co., Ltd. Director, Kompass Global Sourcing Solutions Ltd. Director, Ruentex Industries Ltd.(Shanghai)
Shu-Tien Urology and Ophthalmology Clinic Representative: Lee,Chih-Hung	Chairman, Ruentex Engineering & Construction Co., Ltd. Director, Ruentex Construction International Co., Ltd. Director, Ruentex Material Co., Ltd. Director, Ruentex Construction Ltd. Director, Ruentex Hsu Chan Co. Ltd. Director, Ruentex Pai Yi Co., Ltd. Director, Ruentex Development Co., Ltd.
Shu-Tien Urology and Ophthalmology Clinic Representative: Yen, Tien-Cheng	Director, Sunny Friend Environmental Technology Co., Ltd. Director, Ruentex Pai Yi Co., Ltd. Director, Gin-Hong Investment Co., Ltd.

Ruentex Industries Ltd. Articles of Incorporation

Chapter I General provisions

- Article 1: The Company is organized in accordance with the Company Act and named Ruentex Industries Ltd.
- Article 2: The business scope of the Company is as follows:
1. A102060 Food Dealers.
 2. C103050 Manufacturing of Canning, Freezing, Dehydration, Pickled of Food.
 3. C104020 Manufacture of Bakery and Steam Products.
 4. C301010 Spinning of Yarn.
 5. C302010 Weaving of Textiles.
 6. C305010 Printing, Dyeing, and Finishing.
 7. C306010 Wearing Apparel.
 8. C307010 Clothing Accessories.
 9. C399990 Other Textile Products Manufacturing.
 10. C401030 Tanning and Dressing of Leather; Dressing and Dyeing of Fur.
 11. C402030 Manufacture of Leather, Fur and Related Products.
 12. C801120 Manufacture of Man-made Fibers.
 13. C901030 Cement Manufacturing.
 14. C901040 Manufacture of Ready-mix Concrete.
 15. C901050 Cement and Concrete Products Manufacturing.
 16. CB01010 Mechanical Equipment Manufacturing.
 17. CB01020 Affairs Machine Manufacturing.
 18. CC01080 Electronics Components Manufacturing.
 19. CC01110 Computer and Peripheral Equipment Manufacturing.
 20. CJ01010 Hat Manufacturing.
 21. F101040 Wholesale of Livestock and Poultry.
 22. F101050 Wholesale of Fishery Products.
 23. F101070 Wholesale of Fishing Gears or Tackles.
 24. F101081 Wholesale of Plant Seeds.
 25. F101130 Wholesale of Vegetables and Fruits.
 26. F102020 Wholesale of Edible Fat and Oil.
 27. F102030 Wholesale of Tobacco Products and Alcoholic Beverages.
 28. F102040 Wholesale of Nonalcoholic Beverages.

- 29.F102050 Wholesale of Tea Leaves.
- 30.F102170 Wholesale of Foods and Groceries.
- 31.F102180 Wholesale of Alcohol.
- 32.F103010 Wholesale of Animal Feeds.
- 33.F104110 Wholesale of Cloths, Garments, Shoes, Hats,
Umbrellas and Clothing Accessories.
- 34.F105050 Wholesale of Furniture, Bedding Kitchen Utensils and
Fixtures.
- 35.F106020 Wholesale of Daily Commodities.
- 36.F106030 Wholesale of Molds.
- 37.F106040 Wholesale of Plumbing Materials.
- 38.F106050 Wholesale of Ceramic and Glassware.
- 39.F107010 Wholesale of Paints, Coating and Varnishes.
- 40.F107020 Wholesale of Dyes and Pigments.
- 41.F107030 Wholesale of Cleaning Supplies.
- 42.F107190 Wholesale of Films and Bags.
- 43.F108031 Wholesale of Medical Devices.
- 44.F108040 Wholesale of Cosmetics.
- 45.F109070 Wholesale of Culture, Education, Musical Instruments
and Educational Entertainment Supplies.
- 46.F111090 Wholesale of Building Materials.
- 47.F112020 Wholesale of Coal and Coal Products.
- 48.F112040 Wholesale of Petroleum Products.
- 49.F113020 Wholesale of Electrical Appliances.
- 50.F113060 Wholesale of Measuring Instruments.
- 51.F114040 Wholesale of Bicycle and Component Parts Thereof.
- 52.F115010 Wholesale of Jewelry and Precious Metals.
- 53.F115020 Wholesale of Ores.
- 54.F116010 Wholesale of Camera Equipment.
- 55.F201010 Retail sale of Livestock Products.
- 56.F201020 Retail sale of Husbandry Products.
- 57.F201030 Retail Sale of Fishery Products.
- 58.F201061 Retail sale of Seedling.
- 59.F202010 Retail sale of Feeds.
- 60.F203010 Retail Sale of Food, Grocery and Beverage.
- 61.F203020 Retail Sale of Tobacco and Alcohol.
- 62.F203030 Retail Sale of Ethanol.
- 63.F204110 Fabrics, clothing, shoes, hats, umbrellas, and garments

retail business.

- 64.F205040 Furniture, bedding, kitchen appliances, and furnishings retail business.
- 65.F206020 Retail Sale of Daily Commodities.
- 66.F206040 Retail Sale of Plumbing Materials.
- 67.F207030 Retail Sale of Cleaning Supplies.
- 68.F207050 Retail Sale of Cleaning Fertilizer.
- 69.F207080 Retail Sale of Environmental Agents.
- 70.F207190 Retail Sale of Films and Bags.
- 71.F208031 Retail sale of Medical Apparatus.
- 72.F208040 Retail Sale of Cosmetics.
- 73.F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies.
- 74.F212030 Retail Sale of Coal.
- 75.F212040 Retail Sale of Charcoal.
- 76.F215010 Retail Sale of Jewelry and Precious Metals.
- 77.F301010 Department Stores.
- 78.F301020 Supermarkets.
- 79.F399010 Convenience Stores.
- 80.F401010 International Trade.
- 81.F401071 Plant Seed Export and Import.
- 82.F401161 Tobacco Products Import.
- 83.F401171 Alcohol Products Importation.
- 84.F401181 Measuring Instruments Import.
- 85.F501030 Beverage Shops.
- 86.F501060 Restaurants.
- 87.G202010 Parking Area Operators.
- 88.G801010 Warehousing.
- 89.H701010 Housing and Building Development and Rental.
- 90.H701020 Industrial Factory Development and Rental.
- 91.H701060 New Towns, New Community Development.
- 92.H703100 Real Estate Leasing.
- 93.IZ06010 Tally Packaging.
- 94.F401021 Restrained Telecom Radio Frequency Equipment and Materials Import.
- 95.ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1: The Company may provide guarantees externally.

- Article 3: The Company's total amount of investment in other businesses is not subject to the limitation of forty percent of the amount of its own paid-up capital, and the Board of Directors is authorized to make investment decisions.
- Article 4: The headquarters of the Company shall be located in Taipei City, Taiwan. If necessary, the Company may, with a resolution adopted by a Board of Directors meeting, set up branches in Taiwan or abroad.
- Article 5: The method with which the Company makes announcement shall be subject to Article 28 of the Company Act.

Chapter II Shares

- Article 6: The total capital of the Company shall be NT\$15 billion, divided into 1.5 billion shares at a par value of NT\$10 per share. The Board of Directors is authorized to issue these shares in phases.
- Article 7: All the shares of the Company are registered and shall be affixed with the signatures or personal seals of the director representing the Company. The shares may be issued only after they are legally certified. The Company may print a consolidated share certificate representing the total number of the new shares to be issued as requested by the Taiwan Depository & Clearing Corporation. The Company may issue shares without printing share certificates.
- Article 8: Any shareholder shall fill out a signature card and send it to the Company to be filed for reference. When the shareholder subsequently receives dividends, bonuses or contacts the Company in writing shall only use the retained signature. Where the specimen chop is lost or destroyed, a lost specimen chop application shall be completed specifying the serial numbers and number of shares bearing the old chop, together with identification papers and copies thereof, new specimen chop card and the stock certificates, and the above materials shall be personally sent to the Company for processing. Upon determination that the specimen chop may be replaced with a new one or with a specimen signature, the new specimen chop shall be effective. Where the procedures for replacement of a specimen chop with a new chop or provision of a specimen signature are consigned to a third party or handled through correspondence, the chop certificate issued by the household registration office, or an application letter for a juristic person, shall be submitted.

- Article 9: In the circumstance of shares transfer, the shares shall be submitted to the Company for ownership change in order to be effective. For the transfer via inheritance, legal documents shall be provided.
- Article 10: Where a stock certificate is lost or stolen, the shareholder or the legal owner shall report the event to the police authorities for handling or recordation, complete the loss of stock application, and send such to the Company for its examination and recordation. (where the transfer has not been previously registered, the securities firm or the transferor shall supply the original purchasing report and certificate of stock number.) He/She shall inform the securities exchanges and security firms by overnight mail. The applicant shall also, within five days, apply to the courts under the Code of Civil Procedure for public announcement of the event, and a copy of the court application and the court acceptance voucher shall be sent to the Company; where such procedure is not commenced upon the expiration of the time period, the company may cancel the application for lost stock certificates.
- Article 11: The Company may charge handling fees and stamp duties for the re-issuance of stock due to damage or preceding events.
- Article 12: The entries in the shareholders' roster shall not be altered within sixty days prior to the convening date of each annual shareholders meeting, within thirty days prior to the convening date of the special shareholders meeting, or within five days prior to the record date fixed by the Company to distribute dividends, bonuses, or other benefits.

Chapter 3 Shareholders' Meeting

- Article 13: Shareholders' meetings shall have two types: regular shareholders' meeting and special shareholders' meeting.
1. Regular shareholders' meeting shall be convened within six months of the close of each fiscal year by the Board.
 2. A special meeting may be convened in accordance with the law if necessary.
- Article 14: For annual shareholders' meeting, the notice of meeting shall be served to each shareholder at least thirty days prior to the meeting; for special shareholders' meeting, a notice of meeting shall be served to each shareholder at least fifteen days prior to the meeting. A shareholders' meeting shall be convened in accordance with Article 172 of the Company Act.

The Company's shareholders' meeting can be held by means of a visual communication network or other methods promulgated by the central competent authority. The Company's shareholders' meeting held via a visual communication network is subject to prescriptions provided for by the competent authority, including the prerequisites, procedures, and other compliance matters.

Article 15: Except as otherwise provided by the Company Act, a shareholders' meeting shall be attended by shareholders representing a majority of the total number of issued shares, and a resolution shall be adopted by a majority of the votes held by the shareholders present at the meeting.

Pursuant to the regulations of the competent authority, a shareholder of the Company may exercise voting rights in an electronic form. Any shareholder exercising voting rights in an electronic form will be deemed as having attended the shareholders' meeting in person, and all relevant matters shall be subject to the applicable laws and regulations.

Article 16: A shareholder shall have one voting power in respect of each share.

Article 17: A shareholder may appoint a proxy to attend the meeting by producing a proxy form issued by the Company and stamped with the retained signature specifying the scope of the authority. Only one proxy form may be submitted by a shareholder, and each proxy is limited to the one person.

Article 18: A shareholders' meeting shall be chaired by the Chairman. Where the Chairman is absent, the appointment of his/her proxy shall be subject to Article 208 of the Company Act.

Article 19: When the government or a juristic person is a shareholder, its proxy shall not be limited to one person, provided that the voting right that may be exercised shall be calculated on the basis of the total number of voting shares it holds.

Article 20: Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall record the date, time, location, number of attendance, number of proxies, number of attending shareholders held, number of voting rights, name of Chairman, resolutions and the methods by which resolutions are adopted, be affixed with the chairman of the meeting's signature. The meeting minutes shall be kept together with the book of shareholder attendance and proxy forms by the Company. The provisions of

Article 183 of the Company Act shall apply mutatis mutandis to the aforesaid minutes.

Chapter IV Directors and Management Personnel

- Article 21: The Company shall have seven to nine directors and the Audit Committee, and the Board is authorized to approve the number of directors. Election of directors shall adopt candidate nomination measures stipulated in Article 192-1 of the Company Act, and shareholders shall elect from the list of nominees in compliance with Article 198 of the Company Act. Among the directors, the number of independent directors shall be at least two and may not be less than one-fifth of the number of directors.”
- Article 22: Directors shall each hold office for a term of three years, and are eligible for re-election. The elections of independent and non-independent directors shall be held at the same time, with the numbers of elected directors calculated separately.
The total amount of registered shares held by all the directors may not be less than the percentage required by the competent authority.
- Article 22-1: Where at least one-third of the seats of directors are vacant, the Board of Directors shall convene a special shareholders’ meeting within 60 days to hold a by-election. The term of each director elected as such shall be limited to the remaining term of his/her predecessor.
- Article 22-2: In case no election of new directors is effected after expiration of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new directors have been elected and assumed their office.
Audit Committee shall consist of the entire independent directors responsible of exercising the duties of supervisors in accordance with the Company Act, Securities and Exchange Act and other laws and regulations.
- Article 23: The Board of Directors shall consist of the directors of the Company. The Chairman and Vice Chairman shall be elected by a majority of the directors present, with the attendance of at least two-thirds of directors. The Chairman and Vice Chairman shall execute all affairs of the Company in accordance with the applicable laws and regulations, the Articles of Incorporation and resolutions of the shareholders’ meeting and Board of Directors. The Chairman shall externally represent the Company.

Except for the first meeting of each new Board of Directors which shall be convened in accordance with Article 203 of the Company Act, all other such meetings shall be convened and chaired by the Chairman. Where the Chairman is unable to perform his/her functions, the appointment of his/her proxy shall be subject to Article 208 of the Company Act. Unless otherwise provided for in the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors.

A notice for convening a Board of Directors meeting shall be sent to all directors in writing or by fax seven days prior to the meeting. Such a meeting may be convened at any time in case of emergency events.

With consent of the addressee, the meeting notice under the preceding paragraph may be sent in an electronic form.

Article 24: Each director shall attend the meeting of the board of directors in person. If a director is unable to attend in person, he/she may appoint other director as proxy in accordance with Article 205 of the Company Act.

Article 25: The management policies of the Company and other material matters shall be subject to resolutions of the Board of Directors. The said material matters include acquisition and disposal of the Company's material assets and properties.

Article 26: Directors shall be paid for monthly compensation and remuneration regardless of the Company's financial performance. The board of directors is authorized to decide the remuneration amount based on the director's involvement in the Company's operation and contribution. Employees shall be paid for monthly salary regardless of the Company's financial performance.

Article 27: The Company may obtain directors liability insurance with respect to liabilities resulting from exercising their duties.

Article 28: The Company shall have one president and several managerial officers. The appointment, dismissal and remuneration of the president and finance managerial officer shall be decided by a resolution to be adopted by a majority vote of the directors at a meeting of the board of directors attended by at least a majority of the entire directors of the Company. The Chairman is authorized to make decision on appointment, dismissal and remuneration of other

managerial officers in accordance with the regulations governing personnel appointment and remuneration approved by the board of directors' meeting.

A managerial personnel shall be empowered to manage the operation of the company and to sign relevant business documents for the company, subject to the scope of his/her duties and power as specified in the Articles of Incorporation or his/her employment contract.

Article 29: The President of the Company upholds the decisions of the Chairman to manage all the Company's business.

Article 30: Other personnel of the Company shall be nominated by the President and submitted to Chairman for assignment.

Chapter V Accounting

Article 31: The Company's fiscal year begins on January 1 and ends on December 31 of each year and annual closing of books shall be made at the end of each fiscal year.

Article 32: After the closing of book, the board of directors shall prepare the business report, financial statements, and earnings distribution or deficit offset plan prescribed in the Company Act, and submit to the annual shareholders meeting for recognition in accordance with the statutory procedures.

Article 33: The Company's financial statements shall be audited by certified public accountants. The assignment, dismissal and remuneration of certified public accountants shall be approved by a majority of directors.

Article 34: When the Company has a profit in a fiscal year, 0.3% to 0.5% of such profit shall be distributed as the employees' compensation. If the Company has accumulated losses, an equivalent amount from the profit earned shall be reserved to make up for losses. The remuneration to employees as stated in the preceding paragraph can be paid in cash or in shares, and employees of affiliated companies who meet certain requirement shall be entitled to receive such remuneration.

Article 34-1: If after the annual closing of books, there is a profit, the Company shall, after having provided for income taxes and offset the accumulated losses of previous years, retain the 10% legal reserve; Where such legal reserve amounts to the total paid-in capital of the Company, this provision shall not apply. If the balance (distributable

profits for the current year), together with the undistributed earnings in the previous year and retained special reserves prescribed by laws and regulations, are available for distribution, the Board shall present a proposal on dividends, or retention at a shareholders' meeting for resolution.

The Company shall allocate special reserve in the manners listed below:

1. With respect to the book net amount of other deductions from equity for the period in which it arises, an equivalent amount of special reserve shall be allocated from the amount of the after-tax net profit for the period, plus items other than after-tax net profit for the period, that is included in the undistributed earnings. If there remains any insufficiency, it shall be allocated from the undistributed earnings of the previous period.

2. With respect to the cumulative net amount of other deductions from the equity in a preceding period, the Company shall allocate an amount of special reserve equal to the amount allocated to undistributed earnings for the preceding period.

Article 34-2: The Company's dividend policy adopts the remaining dividend policy. According to the future capital budget planning, the future capital demand of the Company is measured, and after the necessary capital is retained for financing purpose, the remaining earnings can then be distributed in the method of cash dividends.

Chapter VI Supplemental Provisions

Article 35: Matters not addressed by these Articles shall be governed by the Company Act.

Article 36: These Articles of Incorporation were adopted on December 2, 1975.

1st amendment was made on June 30, 1976.

2nd amendment was made on March 2, 1977.

3rd amendment was made on April 20, 1978.

4th amendment was made on July 20, 1978.

5th amendment was made on April 28, 1979.

6th amendment was made on May 28, 1980.

7th amendment was made on May 27, 1981.

8th amendment was made on April 30, 1982.

9th amendment was made on June 28, 1983.

10th amendment was made on April 14, 1984.

11th amendment was made on April 23, 1985.

12th amendment was made on May 29, 1987.
13th amendment was made on April 15, 1988.
14th amendment was made on December 17, 1988.
15th amendment was made on May 31, 1989.
16th amendment was made on April 28, 1990.
17th amendment was made on April 27, 1991.
18th amendment was made on April 24, 1992.
19th amendment was made on May 20, 1993.
20th amendment was made on April 22, 1994.
21st amendment was made on May 31, 1995.
22nd amendment was made on June 5, 1996.
23rd amendment was made on April 8, 1997.
24th amendment was made on May 8, 1998.
25th amendment was made on June 10, 1999.
26th amendment was made on June 30, 2000.
27th amendment was made on May 17, 2001.
28th amendment was made on June 21, 2002.
29th amendment was made on June 18, 2004.
30th amendment was made on June 16, 2005.
31st amendment was made on June 14, 2006.
32nd amendment was made on June 17, 2010.
33rd amendment was made on December 31, 2010.
34th amendment was made on June 12, 2012.
35th amendment was made on June 17, 2013.
36th amendment was made on June 23, 2014.
37th amendment was made on June 23, 2016.
38th amendment was made on June 19, 2019.
39th amendment was made on June 23, 2022.

Rules of Procedure for Shareholders' Meetings of Ruentex Industries Ltd.

First adopted by the Shareholders' Meeting on April 20, 1978

1st amendment made by the Shareholders' Meeting on May 8, 1998

2nd amendment made by the Shareholders' Meeting on June 21, 2002

3rd amendment made by the Shareholders' Meeting on June 23, 2014

- I. The shareholders' meeting of the Company, except as otherwise provided by the Company Act and the Articles of Incorporation, shall be governed by these Rules.
- II. A "shareholder" under these Rules shall mean any shareholder and the proxy attending the meeting on behalf of the shareholder.
- III. The Company shall prepare an attendance book for any attending shareholder to sign in, or the attending shareholder may hand in a sign-in card as an alternative.
- IV. The attendance and voting are calculated on the basis of shares. At a shareholders' meeting convened by the Company, any shareholder may choose to exercise voting rights by written or electronic voting.

Any shareholder exercising voting rights by electronic voting shall be subject to the Company Act, Securities and Exchange Act and Regulations Governing the Administration of Shareholder Services of Public Companies.

The number of shares in attendance shall be calculated according to the shares indicated by the attendance book or sign-in cards handed in, plus the number of shares whose voting rights are exercised in a written or electronic form.

For any shareholder who exercises voting rights in an electronic form and who attends the shareholders' meeting in person, the number of shares in attendance may not be counted twice.

A shareholder shall have one voting right for each share held, except for any share legally held by the Company itself, which does not have any voting right.

- V. The shareholders' meeting shall be held at the location where the Company is headquartered or a location convenient for the shareholders to attend the meeting and suitable for convening the shareholders' meeting. The start time of the meeting shall be no earlier than 9 a.m. and no later than 3 p.m.
- VI. Any shareholders' meeting convened by the Board of Directors shall be chaired by the Chairman of the Board. If the Chairman is on leave or unable to exercise his/her function for whatever reasons, the Vice Chairman shall act on his/her behalf. In the absence of a Vice Chairman or where the Vice Chairman is also on leave or unable to exercise his/her function for

whatever reasons, the Chairman shall appoint one of the directors to act on his/her behalf. Where the Chairman does not make such appointment, the directors shall select one of them to act on behalf of the Chairman.

If a shareholders' meeting is convened by any person other than the Board of Directors and who has the right to do so, the meeting shall be chaired by that person. Where there are two or more such persons, they shall select one of them to serve as the chairman.

- VII. The Company may appoint its attorneys, certified public accountants, or related persons to attend the meeting in a non-voting capacity.

Any person managing the administrative affairs of a shareholders' meeting shall wear an identification badge or armband.

- VIII. Audio or video records for the process of a shareholders' meeting shall be made and retained for at least one year.

- IX. The chair of a shareholders' meeting shall call the meeting to order at the designated start time. If the shareholders present do not represent a majority of the total shares issued, the chair may postpone the meeting twice at most, and the duration of postponement shall not exceed one hour in total. If the shareholders present after the second postponement, while still not meeting the quorum, represent at least one third of the total shares issued, a tentative resolution may be adopted in accordance with Paragraph 1, Article 175 of the Company Act.

If the shareholders present before the end of the meeting already represent a majority of the total shares issued, the chair may re-propose the tentative resolution for voting at the meeting in accordance with Article 174 of the Company Act.

- X. 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 accordance with the set agenda, which may not be changed without a resolution of the meeting. If any shareholder is in violation of the procedure, the chair shall immediately stop him/her from speaking and ask him/her to propose an extempore motion instead.

The preceding paragraph shall apply *mutatis mutandis* to any shareholders' meeting convened by any person other than the Board of Directors and who has the right to do so.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting.

During the session of a shareholders' meeting, if the chairman declares the adjournment of the meeting in a manner in violation of such rules governing the proceedings of meetings, a new chairman of the meeting may be elected

by a resolution to be adopted by a majority of the voting rights represented by the shareholders attending the said meeting to continue the proceedings of the meeting.

After the meeting is adjourned, the shareholders may not elect another chair or find another venue to resume the meeting.

- XI. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chairman.

Any shareholder who has submitted a speaker's slip without delivering his/her statement shall be deemed as not having delivered any statement at all. In the event of any inconsistency between the statement delivered and that contained in the speaker's slip, the statement delivered shall prevail.

When a shareholder is delivering his/her statement, any other shareholder may not interrupt with his/her own statement without consent by both the chair and the shareholder delivering his/her statement. The chair shall stop any such interruption.

- XII. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes.

If any shareholder's statement violates these Rules or exceeds the scope of the proposal, the chair may stop the delivery of his/her statement.

- XIII. Any juristic person presents at the shareholders' meeting as a proxy may only assign one representative attending the meeting.

Where any shareholder who is a juristic person has sent two or more representatives to attend the shareholders' meeting, only one of them may be selected to deliver a statement on a proposal.

- XIV. After an attending shareholder has spoken, the chair may respond or direct relevant personnel to respond.

- XV. If the chair determines that any proposal has been sufficiently discussed and can be put to a vote, he/she may end the discussion and call for a vote.

- XVI. 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 voting result shall be announced on-site, with a record made in this regard.

- XVII. When a meeting is in progress, the chair may announce a break based on time considerations.

- XVIII. Except as otherwise provided in the Company Act and the Articles of Association, a proposal shall be adopted by a majority of the voting rights represented by the attending shareholders. A proposal shall be deemed as adopted if, after the chair has consulted the attending shareholders, no

objection has been raised against it. Any proposal adopted in such a manner shall be equally effective as that adopted by voting.

- XIX. When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. If one of the proposals is adopted, the other proposals shall be deemed as rejected, and no further voting is required.
- XX. The chair may direct the proctors or security personnel to help maintain order at the meeting place. Such disciplinary officers (or security guards) shall wear badges marked "Disciplinary Officers" for identification purposes.
- XXI. During the process of the meeting, if a civil defense siren goes off, the meeting shall be suspended with evacuation of the attendees. The meeting shall resume one hour after the end of the siren.
- XXII. Matters not provided for in these Rules shall be subject to the meeting rules issued by the Ministry of the Interior.
- XXIII. These Rules and any amendment thereto shall be implemented after they are adopted by the shareholders' meeting.

Ruentex Industries Ltd.
Regulations for the Election of Directors

Established on June 21, 2002

Third amendment on June 19, 2019

- Article 1: Except as otherwise provided by the Company Act and the Articles of Association, the election and election and by-election of the directors of the Company shall be governed by these Regulations.
- Article 2: Directors shall be elected by the shareholders' meeting from among the persons with disposing capacity. The election of directors shall be held under a candidate nomination system, where the directors will be elected from a list of candidates.
- Article 3: The election of the Company's directors adopts cumulative voting method.
- Article 4: In the process of electing directors at a shareholders' meeting, the number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates unless otherwise provided for in its Articles of Incorporation. The elections of independent and non-independent directors shall be held at the same time, with the numbers of elected directors calculated separately.
- Article 5: The ballots received by each director in a single shareholders' meeting shall be counted separately.
- Article 6: The number of directors shall be specified in the Articles of Association of the Company. The candidates who have received ballots representing the higher numbers of voting rights will be elected sequentially according to their respective numbers of voting rights. When two or more candidates have received the same numbers of voting rights, thus exceeding the specified number of directors, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any such a candidate not in attendance.
- Article 7: The ballots shall be printed by the Board of Directors of the Company, and distributed to each shareholder based on the number of directors to be elected (one vote for one person). The number of voting rights specified in each ballot shall be the number of voting rights of the relevant shareholder.
- Article 8: Attendance card numbers printed on the ballots may be used instead of the account numbers of voters.
- Article 9: Voters shall fill in candidate's name and shareholder account number or tax ID number in the "Candidate" column on the ballot. Where the candidate is a shareholder as a juristic person, the name of the juristic person and the name of its representative shall be written in the "Candidate" column on the ballot.
- Article 10: When the election starts, the chair shall designate a number of persons as vote monitoring and counting personnel to perform tasks related to the election.
- Article 11: A ballot shall be invalid under any of the following circumstances:
1. The use of any ballot not printed by the Company.
 2. The "Candidate" column is left blank.
 3. The handwriting is unclear and unidentifiable.
 4. The name and shareholder account number of the candidate are inconsistent with those in the shareholder register.
 5. Text other than the name and shareholder account number of the candidate has been written.
 6. Where the name of the candidate is the same as any other shareholder, the

candidate is unidentifiable due to failure to write the shareholder account number.

7. The number of voting rights to be cast exceeds that recorded in the shareholder register (converted number of voting rights).

8. Two or more candidates have been written on the ballot.

Article 12: The ballots shall be counted on the spot following completion of voting, and the result shall be announced by the chairperson on the spot.

Article 13: These Regulations and any amendment thereto shall be implemented after they are approved by the shareholders' meeting.

[Appendix 4]

Shares Held by the Directors of Ruentex Industries Ltd.
Book closure date for the shareholders' annual meeting: April 29, 2024

I. List of the minimum number of shares held by all directors and the numbers of shares held by the shareholders in the shareholder register

Title	Legally required percentage of shareholding	Legally required number of shares held	Number of shares recorded in the shareholder register
All directors	3.6221%	40,000,000 shares	74,698,546 shares

II. List of shares held by directors:

Title	Name	Date of election	Term of office (year)	Number of shares recorded in the shareholder register (share)	Percentage of shares held (%)
Chairman	Huei Hong Investment Co., Ltd. Representative: Hsu, Sheng-Yu (Note 1)	July 30, 2021	III.	44,434,910	4.0237
Director	Huei Hong Investment Co., Ltd. Representative: Hsu, Chih-Chang	July 30, 2021	III.		
Director	Huei Hong Investment Co., Ltd. Representative: Yen, Tien-Cheng	July 30, 2021	III.		
Director	Ruentex Xing Co. Ltd. Representative: Chung-yao Yin	July 30, 2021	III.	13,196,792	1.1950
Director	Ruentex Xing Co. Ltd. Representative: Lee, Tien-Chien	July 30, 2021	III.		
Director	Shu-Tien Urology and Ophthalmology Clinic Representative: Chih-hung Li	July 30, 2021	III.	17,066,844	1.5455
Independent Director	Wang, Tay-Chang	July 30, 2021	III.	0	0
Independent Director	Tang, Gia-Khy	July 30, 2021	III.	0	0
Independent Director	Chen, Shou-Jen	June 23, 2022	III.	0	0
Total number of shares held and ratio of shareholding by all directors				74,698,546	6.77

Note 1: The percentage of combined shareholding of all directors is in line with the Rules.

Note 2: The Company has adopted the Audit Committee system, so the legally required percentage of shareholding for supervisors is not applicable.