

**FORTUNE ELECTRIC CO., LTD.**  
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**FORTUNE ELECTRIC CO., LTD.**  
**Meeting Procedure for 2025 Annual Shareholders' Meeting**

**I. Call meeting to order**

**II. Chairman's address**

**III. Reported Matters**

**IV. Acknowledged Matters**

**V. Matters for Discussion**

**VI. Extemporaneous Motions**

**VII. Adjournment**

**FORTUNE ELECTRIC CO., LTD.**  
**2025 Annual Shareholders' Meeting Agenda**

Date: June 13, 2025, 9 a.m.

Place: Headquarters (Zhongli Factory), No. 10, Jilin Rd., Zhongli Dist.,  
Taoyuan City

Method of convention: Physical shareholders' meeting

I. Call meeting to order

II. Chairman's address

III. Reported Matters

1. 2024 Business Report
2. 2024 Audit Committee's Audit Report
3. 2024 Employees' and Directors' Remuneration Allocation Report
4. 2024 Cash Dividend Distribution Report

IV. Acknowledged Matters

1. 2024 Consolidated and Parent Company Only Financial Statement and Business Report
2. 2024 Earnings Distribution.

V. Matters for Discussion

1. Amendment of the Company's "Articles of Incorporation"
2. Transferring Earnings to Issue of New Shares
3. Amendment of the Company's "Rules of Procedure for Shareholders Meetings"

VI. Extemporaneous Motions

VII. Adjournment

# Reported Matters

## 1. 2024 Business Report

Consolidated operating Revenue of the year 2024 was NT\$ 20,202,779 thousand, among the products, transformers were NT\$ 14,572,285 thousand, accounting for 72.13%, switchgear were NT\$ 1,641,651 thousand, accounting for 8.13%, and electrical distribution equipment were NT\$ 574,559 thousand, accounting for 2.84%, construction revenue was NT\$ 1,388,819 thousand, accounting for 6.87%, electricity sales revenue was NT\$ 14,269 thousand, and accounting for 0.07%, others were NT\$ 2,011,196 thousand, accounting for 9.96%, and net income was NT\$ 4,270,996 thousand, the revenue and profit exceeded expectation, and it was mainly caused by effects of three major growth momentum: green energy, tough electrical grid plan of Taiwan Power Company, and overseas electricity infrastructure.

## FORTUNE ELECTRIC CO., LTD. and Subsidiaries

### 2024 Business Report

Unit: NTD\$ 1,000

#### 1. Revenue:

(1) Operating revenue	20,202,779
(2) Exchange net profit (loss) Export tax rebate income	172,968
(3) Revenue of compensation and claims	126,563
(4) Revenue of export tax rebate income settlement of claim	88,309
(5) Rental income	84,651
(6) Interest revenue	69,465
(7) Property transaction loss	27,806
(8) Government grants income	15,571
(9) Income of subsidiaries and associates for using equity method	(24)
(10) Others	1,298
Sum of revenues	20,789,386

#### 2. Expense:

(1) Operating costs	12,818,086
(2) Operating expenses	2,494,149
(3) Interest expense	37,827
Sum of expenses	15,350,062

3. Net income before tax	5,439,324
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## Comparison of Operation between Fiscal Years of 2024 and 2023

### 1. Operating revenue

Unit: NTDS 1,000

Item/Years	2024	2023	Increase (decrease) %
Transformer	14,572,285	9,463,666	53.98
Switchgear	1,641,651	1,532,978	7.09
Construction	1,388,819	1,264,474	9.83
Electrical distribution equipment	574,559	380,864	50.86
Electricity sales revenue	14,269	21,507	(33.65)
Others	2,011,196	1,236,251	62.68
Sum	20,202,779	13,899,740	45.35

### 2. Operating conditions

Unit: NTDS 1,000

Item/Years	2024	2023	Increase (decrease) %
Operating revenue	20,202,779	13,899,740	45.35
Operating costs	12,818,086	9,565,721	34.00
Operating margin	7,384,693	4,334,019	70.39
Operating expenses	2,494,149	1,480,437	68.47
Operating net profit	4,890,544	2,853,582	71.38

### 3. Net profit and total comprehensive income

Unit: NTDS 1,000

Item/Years	2024	2023	Increase (decrease) %
Income from continuing operations before income tax	5,439,324	3,072,080	77.06
Net income attributable to:			
stockholders of the parent	4,286,020	2,577,260	66.30
non-controlling interests	(15,024)	(15,475)	2.91
Net income	4,270,996	2,561,785	66.72
Other comprehensive income or loss	(63,441)	(42,090)	(50.73)
Total comprehensive income attributable to:			
stockholders of the Company	4,222,579	2,535,170	66.56
Non-controlling interests	(15,024)	(15,475)	2.91
Total comprehensive income	4,207,555	2,519,695	66.99

Chairman: Hsu, Bang-Fu    General Manager: Hsu, I-Sheng,    Accounting Supervisor: Chiu, Hsu-Lan  
Hsu, I-Te

# Operating Prospect

## 1. 2025 Operating policy

- (1) We will continue to raise core business international competitiveness, diversify and expand capacity, and expand niche markets, ensure quality and work safety, and sustain steady growth, seize business opportunity of global electricity, and become international famous electrical machinery plant.
- (2) The Company has grasped business opportunities of intelligent electrical grid, energy transition and net zero emissions, integrated group of internal and external resources, diversified models of new products, new markets, new business and new business opportunities, and expand deployment group's industry to initiate the second growth curve.
- (3) Continuously optimizing operation constitution to construct high effective team, achieving excellent operating management, integrating industrial characteristics and advantages, implementing Fortune's feature ESG, creating happy enterprise to increase group's image, and sharing glory and sustainable development.

## 2. The Company's future strategy, influence of external competitive environment, regulatory environment and overall operating environment

In the aspect of overall economy: along with cutting interest rates of main central bank, declination in prices of commodities, such as internal oil prices, etc., inflation of several countries has showed down, it boosts demands, and global trades continue to expand, global economy of year 2025 is expected to steadily grow. Domestic and foreign forecasting agencies have kept pessimistic view for global outlook of year 2025. The latest estimated growth rate of IMF for global economy is 3.3%, the forecast of World bank is 2.7%, and estimated annual growth rate of economic cooperation and OECD are 3.3%, domestic major agency has separate estimation of Taiwan economic growth as follows: the estimation of Accounting General Office is 3.29%, the estimation of Academia Sinica is 3.1%, the estimation of Taiwan Institute of Economic Research is 3.42%, and the estimation of Chung-Hua Institution for Economic Research is 3.22%, etc., and all show forecasting of domestic and foreign forecasting agencies is higher than year 2024.

In the aspect of individual economy: as the electricity industry is affected to nearly ferment by net zero emissions issue of year 2050, and explosion of new technologies, such as AI, etc., cycle demand of green electricity construction, electricity construction, and electricity quality improvement, green energy, electrical grid strength plan of Taiwan Power Company and foreign electricity infrastructure have become the Company's three major growth momentum at present and in the future. Under the promotion of acts, like "Inflation Reduction Act", etc., United States Department of Energy. estimates needs of contiguous United States increase 64% of transmission lines within the area, and 114% of cross-regional transmission capacity, and estimated transformer demand has 7-8% compound annual growth rate. American president Trump recently signed administrative ordinances, formally establishing "National Energy Dominance Council", and accelerating production of petroleum and natural gas to satisfy enormous electric demand needed by AI development of U.S.A. Estimated energy needed by training AI will achieve 5GW, it means the capacity of power generation device will increase 5GW, and estimated transformer demand of various voltage levels of electricity distribution system and terminal consumption will achieve 40GW (40,000MW). Current power equipment market, like global transformer, etc. stays in imbalance status of being in short supply, however, plant expansion plan of manufacturers in Europe and America is in progress, power construction is globally, and estimated power equipment market will continue to highly grow in 5-10 years.

Power equipment industry has characters of capital denseness, technology denseness, and gaining customer's trust and adoption with long-term achievement and identification, and the competitor is difficult to enter in markets in short-term or competitiveness increases. FORTUNE ELECTRIC CO., LTD. has developed in northern America market for nearly 30 years, and to strive for customer recognition, the Company has delivered transformers of 11, 22, 66, 230, 500KV to international famous verification agency KEMA, and completed the strictest short circuit trial and identification with lower than average passing rate 50%, and under customers' several coming and review in

northern America market, the company has simultaneously used excellent pre-sale and after-sale services, design and components, and maximum standardization, expanded capacity to provide reasonable price and delivery date for customers, and let customers have confidence to purchase higher voltage and other transformers with larger capacity year by year, and extended the gap between competitor and raised proportion by it.

Estimating from above aspects of domestic and foreign overall and industry individual economy, the Company's development can be expected in 5-10 years, and the Company will still continue to grow, and expand capacity for satisfying market demand.

Responding to U.S. started to impose reciprocal tariffs from April, 2025, except expecting to prompt decreasing tariffs through government talks or power industry and AI data industries who have extreme demand of power equipment lobby U.S. government, the Company has actively managed and controlled to decrease risks, and solved problems with customers together. As description above, power equipment is still the most important equipment in infrastructures of current phase for U.S., and demand exceeds supply, they rely on extremely high import ratio. When President Trump took office at the end of year 2024, the Company has immediately initiated that terms of selling price including tariff change absorption are added in new order contracts, we have also sync positively implement friendly negotiation of shifting or partially sharing with customers to reduce influence of the policy for former orders. Demand of power equipment is currently global, except exporting in U.S. market constantly takes order and using methods described above to actively respond, the Company has still continued to steadily grow and operate in domestic market and other exporting markets, therefore, tariff policy still stays in controllable range for overall operation influence. We simultaneously continue to keep a weather eye on subsequent development of the policy, and adjust corresponding measures by moving with the times to steadily operate and strive for maximum benefit for shareholders.

FORTUNE ELECTRIC CO., LTD. is the leader of domestic heavy electricity industry, has accumulated key technologies of professional customization for more than fifty years, and has firmly rooted in traditional electricity field. The whole group has several modernized plants, the most complete domestic product lines, maximum product capacity of transformers, the highest voltage, the most certifications of Taiwan Power Company, the largest professional heavy electricity plants, and was the winner of Awards for Excellent Trading Businesses being the number one of export amount of equipment for power transmission and distribution.

The Company's business has raised to electricity system integration service from traditional electricity equipment supply, and continually adjust operation strategy with the time and market change:

- Integrating the group's internal sources, devoting time to important customers, expanding niche market and innovating professional services;
- Continuously suing industrial intelligence 4.0 to manufacturing upgrade, design standardization, process optimization, purchase strategy intellectualization, quality optimization, lean management and digitalization, and asset optimization to raise product quality and work efficiency, enhance and optimize for products and business competitiveness, and satisfy, even exceed customers' needs and satisfaction;
- Elaborating domestic and foreign important supplier operation management, raising reliance on loyalty to acquire prioritized cooperation advantages and create a win-win situation, showing competitive advantages of group differentiation, and steadily expanding domestic and foreign markets;
- Accelerating to cultivate professional talent in renewable energy field, establishing system integration group to enhance technology ability of green energy;
- Steadily evaluating optimized operation method to participate in revenant diversified investment, making good use of financial resources for utilization of financial leverage, establishing and deploying diversified income, and adjusting the Company's constitution to seize recovery opportunity after the epidemic;
- Market operation strategy, continuously providing professional quality pre-sale and after-sale services and maintenance of including non-the Company's equipment to enhance current and

develop potential markets and customers, and controlling elimination and change demand of domestic and foreign tough electricity grid in Taiwan Power Company and U.S, etc.

In addition to lacing emphasis on operating benefits, FORTUNE ELECTRIC CO., LTD. upholds missions of “safe employees”, “safe customers”, “safe shareholders” and “safe society”, regards regulatory compliance and corporate governance as the primary core value, continuously puts efforts in employee care, friendly work place, creates a happy work environment, implements the diversification of board of directors’ members, and protects shareholders' equity, and ensures sustainable operation and steady growth. The Company also concerns about the issues of human rights, environmental protection, health and safety, and community involvement etc., simultaneously strives for corporate governance and ethical operation, expands green energy business, takes corporate social responsibility, and does its duty of environmentally sustainable coexistence. The Company won several rewards in 2024: No.1 of Best-in-Class 100 of conventional industry operating performance from Commonwealth Magazine, No.1 of Best-in-Class 100 of first hybrid technology industry operating performance from China Credit Information Service Ltd., No.9 of Taiwan Best-in-Class 100 of foreign investment selection, Asian Best Industry Employer Reward, Diversity, Equity & Inclusion Awards of HR ASIA, and national model migrant workers, and the operating results are paid close attention by markets and highly affirmed by industries.

In conclusion, the Company will constantly root the core strength, optimize operation constitution to construct high effective team, achieve excellent operating management, integrating industrial characteristics and advantages, implementing Fortune’s feature ESG, creating happy enterprise to increase group’s image, and sharing glory and sustainable development.

## **2. 2024 Audit Committee's Audit Report**

### **Audit Committee's Audit Report**

Board of Directors prepared financial statements, business report, and earnings distribution proposal of the year 2024, the financial statements therein were audited by accountants Lee, Suei-Chin and Chou, Shih-Chieh of Deloitte, Taiwan and audit report has been offered. The audit report and business report have been reviewed by Audit Committee. The preceding financial statements, business report, and earnings distribution proposal were reviewed and determined to be correct and accurate by Audit Committee members. According to Article 14-4 of Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

For your approval.

Faithfully

2025 Annual Shareholders' Meeting of the Company

FORTUNE ELECTRIC CO., LTD.

Convener of the audit committee: Hu, Len-Kuo

March 10, 2025

### **3. 2024 Employees' and Directors' Remuneration Allocation Report**

- (1) According to Article 27 of the Company's Articles of Incorporation, when the Company has annual profits (means that deducted income before employees' and directors' remunerations from before-tax income), shall allocate more than 3% of employees' remuneration, and less than 2% of directors' remuneration.
- (2) Programed to appropriate 5% of employees' remuneration, the sum was NT\$ 283,163,880, and 1.40% of directors' remuneration from profits of year 2024, the sum was NT\$ 79,285,886, all paid in cash.
- (3) After proposed, it was approved by board of directors on March 10, 2025, for your approval.

### **4. 2024 Cash Dividend Distribution Report**

- (1) The Company programed to distribute cash dividends in 2024, the sum was NT\$ 2,584,479,627 per share was NT\$ 9.
- (2) Afterwards the Company's share fluctuation influenced number of outstanding shares, the payout ratio fluctuation caused by it was programed to give the authorized chairman a free hand.
- (3) According to the distribution ratio, cash dividends shall be calculated to dollar, with amounts of less than NT\$ 1.00 unconditionally rounded down. The fractional sum of less than NT\$ 1.00, decimal point numbers shall be adjusted by descending order, and account numbers shall be adjusted in sequence, to meet the cash dividends total.
- (4) After proposed, it was approved by board of directors on March 10, 2025, for your approval.

# Acknowledged Matters

## ONE

## Proposed by board of directors

Proposal: 2024 consolidated and parent company only financial statements and the business report, for your approval.

Explanation:

- (1) The Company's consolidated and individual financial statements of the year 2024 were made, together with the business report, after the approval of the audit committee, were reported to be approved by board of directors on March 10, 2025, and then reported to a regular shareholders' meeting for approval in accordance with the regulations.
- (2) The preceding book and statements, please refer to P.11-20 and 21-29, of the agenda, for your approval.

Resolution:

## INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders  
Fortune Electric Co., Ltd.

### Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of Fortune Electric Co., Ltd. and its subsidiaries for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2024 is stated as follows:

Occurrence of Revenue Recognition from New Customers Among Top Ten Customers

The Group's operating revenues include the sales of transformers, distribution panels and other related products and these revenues are mainly from several major customers. The Group's revenue from new customers among the top ten customers accounted for the 13% of the revenue for in the year ended December 31. Due to the significance of the revenues and the major changes in the customer portfolio, we identified the occurrence of revenue from new customers among the top ten customers to be a key audit matter. Refer to Note 4 of the consolidated financial statements for the accounting policies and details of revenue recognition.

In respect of this key audit matter, the following audit procedures were performed:

1. We obtained an understanding of the design and implementation of relevant internal controls and tested the operating effectiveness of the key controls over the occurrence of revenue recognition.
2. We selected samples from some sales transactions of the new customers among top ten customers, and we traced them to the original documents such as customer orders, delivery orders, documents signed by customers and payment documents to confirm the occurrence without exception, and performed the confirmation letter procedure.

**Other Matter**

We have also audited the parent company only financial statements of Fortune Electric Co., Ltd., as of and for the years ended December 31, 2024 and 2023, on which we have issued an unmodified opinion.

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

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

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

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

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

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


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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Suei-Chin Lee and Shih-Chieh Chou.



Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 10, 2025

Notice to Readers

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

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

# FORTUNE ELECTRIC CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of NTS and US\$)

	2024		2023
	NTS	US\$ (Note 4) (Unaudited)	NTS
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents (Notes 4 and 6)	\$ 2,480,917	\$ 75,661	\$ 1,737,486
Financial assets at amortized cost - current (Notes 4, 9 and 33)	65,769	2,006	219,106
Contract assets (Notes 4, 23 and 25)	3,178,876	96,946	2,037,295
Notes receivable (Notes 4 and 25)	222,675	6,791	95,968
Trade receivables from unrelated parties (Notes 4, 10 and 25)	3,587,098	109,396	2,372,784
Current tax assets (Notes 4 and 27)	19	1	22,286
Inventories, net (Notes 4 and 11)	7,597,647	231,706	5,441,259
Prepayments (Note 32)	715,181	21,811	453,494
Other current assets (Notes 23 and 33)	<u>289,373</u>	<u>8,825</u>	<u>187,100</u>
Total current assets	<u>18,137,555</u>	<u>553,143</u>	<u>12,566,778</u>
<b>NON-CURRENT ASSETS</b>			
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	15,260	465	-
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	244,302	7,451	288,752
Financial assets at amortized cost - non-current (Notes 4, 9 and 33)	23,535	718	18,241
Investments accounted for using the equity method (Notes 4 and 13)	2,230	68	2,328
Property, plant and equipment (Notes 4, 14 and 33)	2,283,435	69,638	2,080,565
Right-of-use assets (Notes 4, 15 and 32)	536,879	16,373	142,867
Intangible assets (Notes 4 and 16)	67,014	2,044	66,429
Deferred tax assets (Notes 4 and 27)	78,346	2,389	30,498
Prepaid investments (Notes 17 and 32)	198,585	6,056	-
Net defined benefit assets - non-current (Notes 4 and 22)	51,267	1,563	-
Other non-current assets (Note 33)	<u>230,989</u>	<u>7,045</u>	<u>50,310</u>
Total non-current assets	<u>3,731,842</u>	<u>113,810</u>	<u>2,679,990</u>
<b>TOTAL</b>	<u>\$ 21,869,397</u>	<u>\$ 666,953</u>	<u>\$ 15,246,768</u>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Short-term borrowings (Notes 4, 18 and 33)	\$ 35,000	\$ 1,067	\$ 20,000
Short-term bills payable (Notes 4 and 18)	-	-	219,747
Contract liabilities (Notes 4, 23 and 25)	5,001,675	152,537	2,855,544
Trade payables to unrelated parties (Notes 4 and 19)	4,349,785	132,656	3,342,361
Trade payables to related parties (Notes 4 and 32)	24	1	623
Other payables (Note 20)	2,069,745	63,121	1,160,643
Current tax liabilities (Notes 4 and 27)	772,048	23,545	515,783
Provisions (Notes 4 and 21)	36,395	1,110	18,522
Lease liabilities - current (Notes 4, 15 and 32)	83,868	2,558	19,622
Long-term loans due within one year (Notes 4, 18 and 33)	-	-	150,000
Other current liabilities	<u>99,545</u>	<u>3,036</u>	<u>474,586</u>
Total current liabilities	<u>12,448,085</u>	<u>379,631</u>	<u>8,777,431</u>
<b>NON-CURRENT LIABILITIES</b>			
Long-term borrowings (Notes 4, 18 and 33)	-	-	100,000
Deferred tax liabilities (Notes 4 and 27)	107,070	3,265	84,734
Lease liabilities - non-current (Notes 4 and 15)	457,999	13,968	123,534
Deferred revenue - non-current (Notes 4, 20 and 29)	58,129	1,773	-
Net defined benefit liabilities (Notes 4 and 22)	-	-	5,105
Guarantee deposit received	<u>24,251</u>	<u>739</u>	<u>23,371</u>
Total non-current liabilities	<u>647,449</u>	<u>19,745</u>	<u>336,744</u>
Total liabilities	<u>13,095,534</u>	<u>399,376</u>	<u>9,114,175</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>			
Share capital	<u>2,871,644</u>	<u>87,577</u>	<u>2,610,585</u>
Capital surplus	<u>87,022</u>	<u>2,654</u>	<u>86,956</u>
Retained earnings			
Legal reserve	816,345	24,896	559,914
Special reserve	88,625	2,703	59,483
Unappropriated earnings	<u>4,984,900</u>	<u>152,025</u>	<u>2,798,183</u>
Total retained earnings	<u>5,889,870</u>	<u>179,624</u>	<u>3,417,580</u>
Other equity			
Exchange differences on translation of the financial statements of foreign operations	(35,805)	(1,092)	(50,385)
Unrealized gain or loss on financial assets at fair value through other comprehensive income	<u>(129,941)</u>	<u>(3,963)</u>	<u>(38,240)</u>
Total other equity	<u>(165,746)</u>	<u>(5,055)</u>	<u>(88,625)</u>
Total equity attributable to owners of the Company	<u>8,682,790</u>	<u>264,800</u>	<u>6,026,496</u>
<b>NON-CONTROLLING INTERESTS</b>	<u>91,073</u>	<u>2,777</u>	<u>106,097</u>
Total equity	<u>8,773,863</u>	<u>267,577</u>	<u>6,132,593</u>
<b>TOTAL</b>	<u>\$ 21,869,397</u>	<u>\$ 666,953</u>	<u>\$ 15,246,768</u>

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

# FORTUNE ELECTRIC CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of NT\$ and US\$, Except Earnings Per Share)

	2024		2023
	NT\$	US\$ (Note 4) (Unaudited)	NT\$
OPERATING REVENUES (Notes 4, 25, 32 and 39)			
Sales	\$ 18,813,960	\$ 573,771	\$ 12,635,266
Construction revenue	<u>1,388,819</u>	<u>42,355</u>	<u>1,264,474</u>
Total operating revenues	<u>20,202,779</u>	<u>616,126</u>	<u>13,899,740</u>
OPERATING COSTS (Notes 4, 11, 22, 26 and 32)			
Cost of goods sold	11,630,084	354,684	8,408,155
Construction costs	<u>1,188,002</u>	<u>36,230</u>	<u>1,157,566</u>
Total operating costs	<u>12,818,086</u>	<u>390,914</u>	<u>9,565,721</u>
GROSS PROFIT	<u>7,384,693</u>	<u>225,212</u>	<u>4,334,019</u>
OPERATING EXPENSES (Notes 4, 22, 26 and 32)			
Selling and marketing expenses	1,433,146	43,707	800,760
General and administrative expenses	728,914	22,229	481,361
Research and development expenses	329,867	10,060	214,461
Expected credit loss (gain) (Note 10)	<u>2,222</u>	<u>68</u>	<u>(16,145)</u>
Total operating expenses	<u>2,494,149</u>	<u>76,064</u>	<u>1,480,437</u>
PROFIT FROM OPERATIONS	<u>4,890,544</u>	<u>149,148</u>	<u>2,853,582</u>
NON-OPERATING INCOME AND EXPENSES (Note 4)			
Interest income (Note 26)	69,465	2,119	26,835
Compensation and indemnity income	126,563	3,860	47,304
Other income (Notes 26 and 32)	191,565	5,842	169,297
Gain on foreign currency exchange (Note 26)	172,968	5,275	26,707
Other gains and losses (Notes 26 and 29)	26,046	794	(2,360)
Finance costs (Notes 26 and 32)	<u>(37,827)</u>	<u>(1,154)</u>	<u>(49,285)</u>
Total non-operating income and expenses	<u>548,780</u>	<u>16,736</u>	<u>218,498</u>
PROFIT BEFORE INCOME TAX	5,439,324	165,884	3,072,080
INCOME TAX EXPENSE (Notes 4 and 27)	<u>1,168,328</u>	<u>35,631</u>	<u>510,295</u>
NET PROFIT FOR THE YEAR	<u>4,270,996</u>	<u>130,253</u>	<u>2,561,785</u>

(Continued)

# FORTUNE ELECTRIC CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of NTS and US\$, Except Earnings Per Share)

	2024		2023
	NTS	US\$ (Note 4) (Unaudited)	NTS
OTHER COMPREHENSIVE INCOME AND LOSS (Note 4)			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit plans (Note 22)	\$ 17,101	\$ 521	\$ (16,185)
Unrealized gain on investments in equity instruments at fair value through other comprehensive income (Note 24)	(91,701)	(2,797)	(23,634)
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 27)	<u>(3,421)</u>	<u>(104)</u>	<u>3,237</u>
	<u>(78,021)</u>	<u>(2,380)</u>	<u>(36,582)</u>
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of the financial statements of foreign operations	<u>14,580</u>	<u>445</u>	<u>(5,508)</u>
Total other comprehensive loss	<u>(63,441)</u>	<u>(1,935)</u>	<u>(42,090)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 4,207,555</u>	<u>\$ 128,318</u>	<u>\$ 2,519,695</u>
NET PROFIT ATTRIBUTABLE TO:			
Owners of the Company	\$ 4,286,020	\$ 130,711	\$ 2,577,260
Non-controlling interests	<u>(15,024)</u>	<u>(458)</u>	<u>(15,475)</u>
	<u>\$ 4,270,996</u>	<u>\$ 130,253</u>	<u>\$ 2,561,785</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Owners of the Company	\$ 4,222,579	\$ 128,776	\$ 2,535,170
Non-controlling interests	<u>(15,024)</u>	<u>(458)</u>	<u>(15,475)</u>
	<u>\$ 4,207,555</u>	<u>\$ 128,318</u>	<u>\$ 2,519,695</u>
EARNINGS PER SHARE (Note 28)			
From continuing operations			
Basic	<u>\$ 14.93</u>	<u>\$ 0.46</u>	<u>\$ 8.97</u>
Diluted	<u>\$ 14.90</u>	<u>\$ 0.45</u>	<u>\$ 8.96</u>

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

(Concluded)

# **FORTUNE ELECTRIC CO., LTD. AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023  
(In Thousands of NT\$ and US\$)

	Equity Attributable to Owners of the Company											
	Share Capital (Notes 4 and 24)	Capital Surplus (Note 24)	Retained Earnings (Note 24)					Other Equity (Notes 4, 8 and 24)				
			Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain on Financial Assets at Fair Value Through Other Comprehensive Income	Controlling Interests	Non-controlling Interests	Total Equity	
BALANCE AT JANUARY 1, 2023	\$ 2,610,585	\$ 86,685	\$ 473,469	\$ 37,578	\$ 994,867	\$ 1,505,914	\$ (44,877)	\$ (14,606)	\$ (59,483)	\$ 4,143,701	\$ 121,572	\$ 4,265,273
Appropriation of 2022 earnings	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	86,445	-	(86,445)	-	-	-	-	-	-	-
Special reserve	-	-	-	21,905	(21,905)	-	-	-	-	-	-	-
Cash dividends distributed by the Company - NT\$2.50 per share	-	-	-	-	(652,646)	(652,646)	-	-	-	(652,646)	-	(652,646)
	-	-	86,445	21,905	(760,996)	(652,646)	-	-	-	(652,646)	-	(652,646)
Unclaimed cash dividends from shareholders	-	271	-	-	-	-	-	-	-	271	-	271
Net profit for the year ended December 31, 2023	-	-	-	-	2,577,260	2,577,260	-	-	-	2,577,260	(15,475)	2,561,785
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	(12,948)	(12,948)	(5,508)	(23,634)	(29,142)	(42,090)	-	(42,090)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	2,564,312	2,564,312	(5,508)	(23,634)	(29,142)	2,535,170	(15,475)	2,519,695
BALANCE AT DECEMBER 31, 2023	2,610,585	86,956	559,914	59,483	2,798,183	3,417,580	(50,385)	(38,240)	(88,625)	6,026,496	106,097	6,132,593
Appropriation of 2023 earnings	-	-	256,431	-	(256,431)	-	-	-	-	-	-	-
Legal reserve	-	-	-	29,142	(29,142)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	(1,566,351)	(1,566,351)	-	-	-	(1,566,351)	-	(1,566,351)
Cash dividends distributed by the Company - NT\$6.00 per share	-	-	-	-	-	-	-	-	-	-	-	-
Ordinary share dividends distributed by the Company - NT\$1.00 per share	261,059	-	-	-	(261,059)	(261,059)	-	-	-	-	-	-
	261,059	-	256,431	29,142	(2,112,983)	(1,827,410)	-	-	-	(1,566,351)	-	(1,566,351)
Unclaimed cash dividends from shareholders	-	66	-	-	-	-	-	-	-	66	-	66
Net profit for the year ended December 31, 2024	-	-	-	-	4,286,020	4,286,020	-	-	-	4,286,020	(15,024)	4,270,996
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	13,680	13,680	14,580	(91,701)	(77,121)	(63,441)	-	(63,441)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	4,299,700	4,299,700	14,580	(91,701)	(77,121)	4,222,579	(15,024)	4,207,555
BALANCE AT DECEMBER 31, 2024	\$ 2,871,644	\$ 87,022	\$ 816,345	\$ 88,625	\$ 4,984,900	\$ 5,889,870	\$ (35,805)	\$ (129,941)	\$ (165,746)	\$ 8,682,790	\$ 91,073	\$ 8,773,863
BALANCE AT DECEMBER 31, 2024 (IN U.S. DOLLARS)	\$ 87,577	\$ 2,654	\$ 24,896	\$ 2,703	\$ 152,025	\$ 179,624	\$ (1,092)	\$ (3,963)	\$ (5,055)	\$ 264,800	\$ 2,777	\$ 267,577

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

# FORTUNE ELECTRIC CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of NT\$ and US\$)

	2024		2023
	NT\$	US\$ (Note 4) (Unaudited)	NT\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before income tax	\$ 5,439,324	\$ 165,884	\$ 3,072,080
Adjustments for:			
Depreciation expense	197,437	6,021	144,850
Amortization expense	30,554	932	27,575
Expected credit gain recognized (reversed) on trade receivables	2,222	68	(16,145)
Finance costs	37,827	1,153	49,285
Interest income	(69,465)	(2,119)	(26,835)
Share of loss of associate	24	1	758
(Gain) loss on disposal of property, plant and equipment	(27,806)	(848)	436
Property, plant and equipment transferred to expenses	22	1	-
Reversal of inventories	(2,863)	(87)	(29,891)
Unrealized net (gain) loss on foreign currency exchange	(17,183)	(524)	19,858
Provisions	17,873	545	7,026
Gain on remeasurement of lease arrangements	(45)	(1)	(37)
Changes in operating assets and liabilities			
Financial instruments at fair value through profit or loss	-	-	(279)
Contract assets	(1,141,581)	(34,815)	(579,535)
Notes receivable	(126,707)	(3,864)	(339)
Trade receivables	(1,159,534)	(35,362)	(330,857)
Inventories	(2,187,497)	(66,712)	(1,268,553)
Prepayments	(258,805)	(7,893)	(150,638)
Other current assets	(65,958)	(2,012)	(34,564)
Contract liabilities	2,125,520	64,822	1,284,006
Notes and trades payable	993,141	30,288	1,194,431
Trade payables to related parties	(599)	(18)	570
Other payables	902,680	27,529	634,185
Other current liabilities	(375,041)	(11,438)	383,232
Net defined benefit liabilities	(39,270)	(1,198)	(53,692)
Deferred revenue	58,129	1,773	-
Cash generated from operations	4,332,399	132,126	4,326,927
Interest received	69,265	2,112	26,659
Interest paid	(37,937)	(1,157)	(52,226)
Income tax paid	(918,949)	(28,025)	(20,060)
Net cash generated from operating activities	3,444,778	105,056	4,281,300

(Continued)



# FORTUNE ELECTRIC CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of NT\$ and US\$)

	2024		2023
	NT\$	US\$ (Note 4) (Unaudited)	NT\$
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of financial assets at fair value through other comprehensive income	\$ (47,251)	\$ (1,441)	\$ -
Disposal of financial assets measured at amortized cost	148,043	4,515	12,389
Purchase of financial assets at fair value through profit or loss	(15,260)	(465)	-
Increase in prepayments for investments	(198,585)	(6,056)	-
Payments for property, plant and equipment	(289,976)	(8,844)	(118,140)
Acquisition of investments accounted for using the equity method	-	-	(1,000)
Proceeds from disposal of property, plant and equipment	46,033	1,404	-
Increase in refundable deposits	(27,556)	(840)	(12,209)
Increase in other receivables	(36,115)	(1,102)	-
Payments for intangible assets	(29,454)	(898)	(37,180)
Increase in prepayments for equipment	<u>(193,825)</u>	<u>(5,911)</u>	<u>(28,218)</u>
Net cash used in investing activities	<u>(643,946)</u>	<u>(19,638)</u>	<u>(184,358)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from short-term borrowings	15,000	457	-
Proceeds from short-term bills payable	-	-	(875,601)
Repayment of short-term bills payable	(219,747)	(6,702)	(129,817)
Repayments of long-term borrowings	(250,000)	(7,624)	(1,261,800)
Proceeds from guarantee deposits received	880	27	-
Refund of guarantee deposits received	-	-	(2,366)
Repayment of the principal portion of lease liabilities	(50,801)	(1,549)	(23,567)
Unclaimed cash dividends from shareholders	66	2	271
Issue of cash dividends	<u>(1,566,351)</u>	<u>(47,769)</u>	<u>(652,646)</u>
Net cash used in financing activities	<u>(2,070,953)</u>	<u>(63,158)</u>	<u>(2,945,526)</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>	<u>13,552</u>	<u>413</u>	<u>(9,560)</u>
<b>NET INCREASE IN CASH</b>	<b>743,431</b>	<b>22,673</b>	<b>1,141,856</b>
<b>CASH AT THE BEGINNING OF THE YEAR</b>	<u><b>1,737,486</b></u>	<u><b>52,988</b></u>	<u><b>595,630</b></u>
<b>CASH AT THE END OF THE YEAR</b>	<u><b>\$ 2,480,917</b></u>	<u><b>\$ 75,661</b></u>	<u><b>\$ 1,737,486</b></u>

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

(Concluded)

# Independent Auditors' Report

To Fortune Electric Co., Ltd.

## Opinion

We have audited the accompanying parent company only financial statements of Fortune Electric Co., Ltd. (the 'Company'), which comprise the parent company only balance sheets as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the "parent company only financial statements").

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of Fortune Electric Co., Ltd. as of December 31, 2024 and 2023, and its financial performance and its parent company only cash flow for years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

## Basis for opinion

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

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements of Fortune Electric Co., Ltd. for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the parent company only financial statements of Fortune Electric Co., Ltd. for the year ended December 31, 2024 is stated as follows:

### Occurrence of revenue recognition from new customers among top ten customers

The operating revenue of Fortune Electric Co., Ltd. mainly arises from the sales of power transformers, distribution panels, etc. and other related products, and the revenue is concentrated in main customers. As of the years ended December 31, 2024, the sales revenue from new customers among top ten customers accounted for 17% of total revenue of the whole year. And the main customers vary widely. Therefore, the revenue from the new customers among top ten customers of Fortune Electric Co., Ltd. is identified as a key audit matter. Please refer to Note 4 to the parent company only financial statements for the details of the information about the accounting policy for recognizing revenue and relevant information disclosed.

Our key audit procedures performed in respect of the above area included the following

1. Obtain an understanding of and test the design and operating effectiveness of main internal control related to occurrence of sales revenue.
2. Obtain the samples from the sales details of new customers among top ten customers, implement substantive tests of details, and inspect customer order, delivery order and customer' signed receipt and other vouching, to confirm whether there is any abnormal situation in the occurrence of sales revenue, and sent external confirmation letters.

## **Responsibilities of Management and those charged with Governance for the Parent Company Only Financial Statements**

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

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

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

## **Auditor's responsibilities for the Audit of the Parent Company Only Financial Statements**

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of Fortune Electric Co., Ltd.'s the parent company only financial statements for the year ended 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche  
CPA Lee, Suei-Chin

CPA Chou, Shih-Chieh

Reference number of the FSC approval letter,  
No. Financial-Supervisory-  
Securities-Auditing-1100356048

Reference number of the FSC approval letter,  
No. Financial-Supervisory-  
Securities-Auditing-1110348898

March 10, 2025

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

Fortune Electric Co., Ltd.  
Parent Company Only Balance Sheet  
As of December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollar

Assets	December 31, 2024		December 31, 2023	
	Amount	%	Amount	%
<b>Current assets (Note 4)</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 1,869,389	9	\$ 1,576,646	11
Financial assets at amortized cost - current (Notes 4, 9 and 30)	17,235	-	17,235	-
Contract assets (Notes 4, 21 and 23)	3,178,876	16	2,058,180	15
Notes receivables (Notes 4 and 23)	222,115	1	95,615	1
Trade receivables, net (Notes 4, 10 and 23)	3,235,715	16	2,102,646	15
Trade receivables from related parties (Notes 4 and 29)	27,350	-	24,749	-
Current tax assets (Notes 4 and 25)	-	-	22,081	-
Inventories, net (Notes 4 and 11)	5,647,099	28	4,132,081	29
Prepayments (Note 29)	1,093,349	5	577,838	4
Other current assets (Notes 21, 29 and 30)	169,179	1	59,832	1
Total current assets	<u>15,460,327</u>	<u>76</u>	<u>10,666,903</u>	<u>76</u>
<b>Non-current assets</b>				
Financial assets at fair value through profit or loss - non-current (Note 4 and 7)	15,260	-	-	-
Financial assets at fair value through other comprehensive income-non-current (Note 4 and 8)	244,302	1	288,752	2
Non-current financial assets at amortized cost (Notes 4, 9 and 30)	15,465	-	15,179	-
Investments accounted for using equity method (Notes 4 and 12)	2,383,544	12	1,652,584	12
Property, plant and equipment (Notes 4, 13 and 30)	1,492,719	8	1,320,976	9
Right-of-use assets (Notes 4, 14 and 29)	224,634	1	40,101	-
Intangible assets (Notes 4 and 15)	53,312	-	55,981	1
Deferred tax assets (Notes 4 and 25)	47,865	-	30,498	-
Prepayments for equipment	80,256	1	21,787	-
Refundable deposits (Note 30)	37,997	-	21,795	-
Prepaid investments (Notes 16 and 29)	198,585	1	-	-
Net defined benefit assets (Notes 4 and 20)	51,267	-	-	-
Total non-current assets	<u>4,845,206</u>	<u>24</u>	<u>3,447,653</u>	<u>24</u>
<b>Total assets</b>	<u>\$ 20,305,533</u>	<u>100</u>	<u>\$ 14,114,556</u>	<u>100</u>
<b>Liabilities and equity</b>				
<b>Current Liabilities</b>				
Contract liabilities (Notes 4, 21 and 23)	\$ 4,536,298	22	\$ 2,781,687	20
Trade payables (Notes 4 and 17)	3,581,537	18	2,993,294	21
Trade payables to related parties (Notes 4 and 29)	668,277	3	566,866	4
Other payables (Note 18)	1,757,306	9	1,013,344	7
Current tax liabilities (Notes 4 and 25)	606,705	3	515,664	4
Provisions (Notes 4 and 19)	36,395	-	18,522	-
Lease liabilities - current (Notes 4, 14, 28, and 29)	54,165	-	13,042	-
Other current liabilities	95,344	1	62,188	-
Total current liabilities	<u>11,336,027</u>	<u>56</u>	<u>7,964,607</u>	<u>56</u>
<b>Non-current liabilities</b>				
Deferred tax liabilities (Note 25)	106,789	-	84,734	1
Lease liabilities- non-current (Notes 4, 14, and 28)	172,676	1	27,243	-
Net defined benefit liabilities (Notes 4 and 20)	-	-	5,105	-
Guaranteed deposits received	7,251	-	6,371	-
Total non-current liabilities	<u>286,716</u>	<u>1</u>	<u>123,453</u>	<u>1</u>
<b>Total liabilities</b>	<u>11,622,743</u>	<u>57</u>	<u>8,088,060</u>	<u>57</u>
<b>Equity</b>				
Share capital	2,871,644	14	2,610,585	19
Capital surplus	87,022	1	86,956	1
Retained earnings				
Legal reserve	816,345	4	559,914	4
Special reserve	88,625	-	59,483	-
Unappropriated retained earnings	4,984,900	25	2,798,183	20
Total retained earnings	<u>5,889,870</u>	<u>29</u>	<u>3,417,580</u>	<u>24</u>
Other equity				
Exchange difference on translation of foreign financial statements	( 35,805 )	-	( 50,385 )	( 1 )
Unrealized gains or losses on valuation of financial assets at fair value through other comprehensive income	( 129,941 )	( 1 )	( 38,240 )	-
Other equity interest	( 165,746 )	( 1 )	( 88,625 )	( 1 )
Total equity	<u>8,682,790</u>	<u>43</u>	<u>6,026,496</u>	<u>43</u>
<b>Total liabilities and equity</b>	<u>\$ 20,305,533</u>	<u>100</u>	<u>\$ 14,114,556</u>	<u>100</u>

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

Chairman: Hsu, Bang-Fu

General Manager: Hsu, I-Sheng, Hsu, I-Te

Accounting Supervisor: Chiu, Hsu-Lan

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

Fortune Electric Co., Ltd  
Parent Company Only Statements of Comprehensive Income  
For the years ended December 31, 2024 and 2023

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

	2024		2023	
	Amount	%	Amount	%
Operating revenue (Notes 4, 23, and 29)				
Sales revenue	\$ 17,776,512	94	\$ 12,286,637	92
Construction revenue	<u>1,181,220</u>	<u>6</u>	<u>1,131,575</u>	<u>8</u>
Total operating revenue	<u>18,957,732</u>	<u>100</u>	<u>13,418,212</u>	<u>100</u>
Operating costs (Notes 4, 11, 20, 24, and 29)				
Costs of goods sold	11,661,135	62	8,610,721	64
Construction cost	<u>1,025,121</u>	<u>5</u>	<u>1,062,325</u>	<u>8</u>
Total operating costs	<u>12,686,256</u>	<u>67</u>	<u>9,673,046</u>	<u>72</u>
Gross profit from operations	<u>6,271,476</u>	<u>33</u>	<u>3,745,166</u>	<u>28</u>
Operating expenses (Notes 4, 20, 24, and 29)				
Selling and marketing expenses	1,157,944	6	726,645	6
General and administrative expenses	676,476	4	434,406	3
Research and development expense	280,905	1	173,128	1
Expected credit loss (gain)	<u>2,507</u>	<u>-</u>	<u>( 15,205 )</u>	<u>-</u>
Total operating expenses	<u>2,117,832</u>	<u>11</u>	<u>1,318,974</u>	<u>10</u>
Net operating income	<u>4,153,644</u>	<u>22</u>	<u>2,426,192</u>	<u>18</u>
Non-operating income and expenses (Note 4)				
Interest income (Note 24)	64,980	-	20,443	-
Compensation and indemnity income (Notes 24)	126,037	1	47,267	-
Other income (Notes 24 and 29)	91,971	-	61,015	1
Financial Cost (Notes 24 and 29)	<u>( 24,791 )</u>	<u>-</u>	<u>( 35,461 )</u>	<u>-</u>
Other gains and losses (Note 24)	26,143	-	1,450	-
Gain on foreign exchange (Note 24)	174,464	1	22,364	-
Share of profit or loss of subsidiaries and associates accounted for using equity method (Note 12)	<u>688,380</u>	<u>4</u>	<u>543,592</u>	<u>4</u>
Total non-operating income and expenses	<u>1,147,184</u>	<u>6</u>	<u>660,670</u>	<u>5</u>

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	2024		2023	
	Amount	%	Amount	%
Profit before income tax	5,300,828	28	3,086,862	23
Income tax expense (Notes 4 and 25)	<u>1,014,808</u>	<u>6</u>	<u>509,602</u>	<u>4</u>
Net Profit For The Year	<u>4,286,020</u>	<u>22</u>	<u>2,577,260</u>	<u>19</u>
Other comprehensive income				
Items that will not be reclassified to profit or loss:				
Remeasurements of defined benefit plans (Notes 4 and 20)	17,101	-	( 16,185 )	-
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (Notes 4 and 22)	( 91,701 )	-	( 23,634 )	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Notes 4 and 25)	( <u>3,421</u> )	<u>-</u>	( <u>3,237</u> )	<u>-</u>
	( <u>78,021</u> )	<u>-</u>	( <u>36,582</u> )	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Share of other comprehensive income of subsidiaries and associates accounted for using equity	<u>14,580</u>	<u>-</u>	( <u>5,508</u> )	<u>-</u>
Total other comprehensive income	( <u>63,441</u> )	<u>-</u>	( <u>42,090</u> )	<u>-</u>
Total comprehensive income	<u>\$ 4,222,579</u>	<u>22</u>	<u>\$ 2,535,170</u>	<u>19</u>
Earnings per share (Note 26)				
Basic	<u>\$ 14.93</u>		<u>\$ 8.97</u>	
Diluted	<u>\$ 14.90</u>		<u>\$ 8.96</u>	

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

Chairman : Hsu, Bang-Fu General Manager : Hsu, I-Sheng, Hsu, I-Te Accounting Supervisor : Chiu, Hsu-Lan

Fortune Electric Co., Ltd  
Parent Company Only Statement of Changes in Equity  
For the years ended December 31, 2024 and 2023

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

	Share capital (Note 22)	Capital surplus (Note 22 and 27)	Retained earnings (Note 22)			Exchange differences on translation of foreign financial statements ( \$ 44,877 )	Unrealized gains (losses) on financial assets at fair value through other comprehensive income ( \$ 14,606 )	Total ( \$ 59,483 )	Total Equity \$4,143,701
	(Note 22)	(Note 22 and 27)	Legal reserve	Special reserve	Unappropriated Retained Earnings				
Balance, January 1, 2023	\$2,610,585	\$ 86,685	\$ 473,469	\$ 37,578	\$ 994,867	\$1,505,914			
Appropriations of 2022 earnings									
Legal reserve appropriated	-	-	86,445	-	( 86,445 )	-	-	-	-
Special reserve appropriated	-	-	-	21,905	( 21,905 )	-	-	-	-
Cash dividends – NT\$2.5 per share	-	-	-	-	( 652,646 )	( 652,646 )	-	-	( 652,646 )
	-	-	86,445	21,905	( 760,996 )	( 652,646 )	-	-	( 652,646 )
Unclaimed cash dividends	-	271	-	-	-	-	-	-	271
Net profit for 2023	-	-	-	-	2,577,260	2,577,260	-	-	2,577,260
Other comprehensive income for 2023 after tax	-	-	-	-	( 12,948 )	( 12,948 )	( 23,634 )	( 29,142 )	( 42,090 )
Total comprehensive income for 2023	-	-	-	-	2,564,312	2,564,312	( 23,634 )	( 29,142 )	2,535,170
Balance, December 31, 2023	2,610,585	86,956	559,914	59,483	2,798,183	3,417,580	( 38,240 )	( 88,625 )	6,026,496
Appropriation of 2023 earnings									
Legal reserve appropriated	-	-	256,431	-	( 256,431 )	-	-	-	-
Special reserve appropriated	-	-	-	29,142	( 29,142 )	-	-	-	-
Cash dividends – NT\$6 per share	-	-	-	-	( 1,566,351 )	( 1,566,351 )	-	-	( 1,566,351 )
Stock dividends – NT\$1 per share	261,059	-	-	-	( 261,059 )	( 261,059 )	-	-	-
	261,059	-	256,431	29,142	( 2,112,983 )	( 1,827,410 )	-	-	( 1,566,351 )
Unclaimed cash dividends	-	66	-	-	-	-	-	-	66
Net profit for 2024	-	-	-	-	4,286,020	4,286,020	-	-	4,286,020
Other comprehensive income for 2024 after tax	-	-	-	-	13,680	13,680	( 91,701 )	( 77,121 )	( 63,441 )
Total comprehensive income for 2024	-	-	-	-	4,299,700	4,299,700	( 91,701 )	( 77,121 )	4,222,579
Balance, December 31, 2024	\$2,871,644	\$ 87,022	\$ 816,345	\$ 88,625	\$4,984,900	\$5,889,870	( \$ 129,941 )	( \$ 165,746 )	\$8,682,790

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

Chairman: : Hsu, Bang-Fu

General Manager: Hsu, I-Sheng, Hsu, I-Te

Accounting Supervisor: Chiu, Hsu-Lan



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

Fortune Electric Co., Ltd  
Parent Company Only Statements of Cash Flows  
For the year ended December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

	2024	2023
Cash flows from operating activities		
Profit before tax	\$ 5,300,828	\$ 3,086,862
Adjustments for:		
Depreciation expense	124,375	89,582
Amortization expense	25,134	25,084
Expected credit loss (gain) reversed on trade receivables	2,507	( 15,205 )
Financial cost	24,791	35,461
Interest income	( 64,980 )	( 20,443 )
Share of profit or loss of subsidiaries and associates accounted for using equity method	( 688,380 )	( 543,592 )
(Gain) loss on disposal of property, plant and equipment	( 27,825 )	359
Provisions	17,873	7,026
Reversal of inventories	( 2,974 )	( 30,108 )
Gain on remeasurement of lease arrangements	( 44 )	( 36 )
Changes in operating assets and liabilities, net		
Financial instruments at fair value through profit or loss	-	( 279 )
Contract asset	( 1,120,696 )	( 600,420 )
Note receivable	( 126,520 )	( 961 )
Trade receivable	( 1,135,576 )	( 264,398 )
Trade receivable from related parties	( 2,601 )	( 24,664 )
Inventories	( 1,512,044 )	( 678,422 )
Prepayments	( 515,511 )	23,110
Other current assets	( 73,196 )	( 20,497 )
Contract liability	1,754,611	1,280,570
Trade payable	588,243	1,048,463
Trade payable to related parties	101,411	334,790
Other payable	743,962	592,717
Other current liabilities	33,156	( 61,397 )
Net defined benefit liability	( 39,270 )	( 53,692 )
Cash generated from operations	3,407,274	4,209,910
Interest received	64,944	20,291

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	2024	2023
Interest paid	( \$ 24,791 )	( \$ 37,719 )
Income tax paid	( 900,420 )	( 19,261 )
Net cash flows generated from operating activities	<u>2,547,007</u>	<u>4,173,221</u>
Cash flows from investing activities		
Acquisition of financial assets at fair value through other comprehensive income	( 47,251 )	-
Acquisition of financial assets at amortized cost	( 286 )	( 8,840 )
Acquisition of financial assets at fair value through profit or loss	( 15,260 )	-
Increase in prepayments for investments	( 198,585 )	-
Investments accounted for using equity method	( 28,000 )	-
Refund of paid-up capital from investees accounted for using equity method	-	111,296
Acquisition of property, plant and equipment	( 233,067 )	( 78,897 )
Proceeds from disposal of property, plant and equipment	45,421	-
Increase in refundable deposits	( 16,202 )	( 4,740 )
Increase in other receivables	( 36,115 )	-
Acquisition of intangible assets	( 20,780 )	( 26,646 )
Increase in prepayments for business facilities	( 103,261 )	( 25,413 )
Dividends received	<u>-</u>	<u>182,666</u>
Net cash flows (used in) generated from investing activities	( <u>653,386</u> )	<u>149,426</u>
Cash flows from financing activities		
Repayment of short-term borrowings	-	( 656,641 )
Repayment of short-term bills payable	-	( 249,891 )
Repayment of long-term loans	-	( 1,341,800 )
Guaranteed deposits received	880	-
Refund of guaranteed deposits received	-	( 2,366 )
Cash dividends paid	( 1,566,351 )	( 652,646 )
Payments of lease liabilities	( 35,473 )	( 13,059 )
Unclaimed cash dividends	<u>66</u>	<u>271</u>
Net cash flows used in financing activities	( <u>1,600,878</u> )	( <u>2,916,132</u> )
Net increase in cash and cash equivalents	292,743	1,406,515
Cash and cash equivalents at beginning of the year	<u>1,576,646</u>	<u>170,131</u>
Cash and cash equivalents at end of the year	<u>\$ 1,869,389</u>	<u>\$ 1,576,646</u>

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

Chairman: Hsu, Bang-Fu    General Manager: Hsu, I-Sheng, Hsu, I-Te    Accounting supervisor: Chiu, Hsu-Lan

TWO

Proposed by board of directors

Proposal: 2024 earnings distribution proposal, for your approval.

Explanation:

- (1) The Company's after-tax net profit of the year 2024 was NT\$ 4,286,019,569, and 2024 earnings distribution statement was made as follows:

**FORTUNE ELECTRIC CO., LTD.**  
**2024 Earnings Distribution Statement**

Unit: NTD

Item	Amount	
	Subtotal	Total
Beginning undistributed earnings	685,199,434	
Actuarial gain/loss through retained earnings	13,680,812	
Adjusted undistributed earnings		698,880,246
Add: 2024 after-tax net profit	4,286,019,569	
Deduct: 10% designated legal reserve	429,970,038	
Deduct: according to the law, designated special reserve	77,121,263	
Distributable earnings		4,477,808,514
Appropriated items:		
Dividend to shareholders-stock (per share NT\$ 1)	287,164,410	
Dividend to shareholders-cash (per share NT\$ 9)	2,584,479,627	
Unappropriated retained earnings		1,606,164,477

Note: The earnings of year 2024 was firstly distributed for the earnings distribution.

Chairman: Hsu, Bang-Fu

General Manager: Hsu, I-Sheng,  
Hsu, I-Te

Accounting Supervisor:  
Chiu, Hsu-Lan

- (2) For your approval.

Resolution:

# Matters for Discussion

ONE

Proposed by board of directors

Proposal: Amendment of the Company's "Articles of Incorporation", for your resolution.

Explanation: 1. To conform to regulations of Item 6, Article 14 of Securities and Exchange Act and Letter No. 1130385442 of FSC, allocating certain percentage of its annual earnings shall be allocated for salary adjustments or compensation distributions for its non-executive employees shall be prescribed in Articles of Incorporation.

2. Comparison of current articles and amended articles is as follows.

## **FORTUNE ELECTRIC CO., LTD.**

### **Comparison of current articles and amended articles of "Articles of Incorporation"**

Amended articles	Current articles	Explanation
Article 27: When the Company has annual profit (means profit before income tax deducted employee's and directors remuneration), shall allocate not less than 3% as employee's remuneration ( <u>the amount of employee's remuneration in this item shall not be less than 20% as allocated remuneration of non-executive employees</u> ) and not less higher than 2% as director's remuneration. When the company still has accumulated loss (including adjusting undistributed earnings), shall retain the amount of compensation in advance. (After omitted)	Article 27: When the Company has annual profit (means profit before income tax deducted employee's and directors remuneration), the Company shall allocate not less than 3% as employee's remuneration and not more than 2% as director's remuneration. When the Company still has accumulated loss (including adjusted and undistributed earnings), the Company shall retain the amount of compensation in advance. (After omitted)	Relevant content of adjusted salary or allocated remuneration for non-executive employees were added.
Article 30: The Articles of Incorporation was drawn up on August 4, 1969, (omitted), the 36th amendment was made on June 13, 2024. <u>The 37th amendment was made on June 13, 2025.</u>	Article 30: The Articles of Incorporation was drawn up on August 4, 1969, (omitted), the 36th amendment was made on June 13, 2024.	Amendment times and date were added.

Resolution:

TWO

Proposed by board of directors

Proposal: Transferring earnings to issue of new shares proposal, for your resolution.

Explanation:

- (1) To conform to operation needs and enrich operational capital, NT\$ 287,164,410 was appropriated from distributed earnings of year 2024, and 28,716,441 new shares were transferred to issue, the domination per share was NT\$10, and all are common stocks.
- (2) Shareholders' stock dividends were allotted 100 shares per thousand shares in accordance with shareholding proportion held by shareholders registered in the roster. Shares shall be calculated to one share, shareholders may make up one whole share at agent for stock affairs within five days from the closing date, with amounts of less than one share unconditionally rounded down, according to Article 240 of the Company Act, decimal point numbers shall be adjusted by descending order, and account numbers shall be adjusted in sequence, and the chair shall be authorized to subscribe by the domination from specific persons.
- (3) Hereafter; as the Company's stocks change, influence the number of outstanding stocks, and cause shareholders' payout ratio change and shall be amended, the chair is authorized to conduct matters with full discretion by the shareholders' meeting.
- (4) New shares issued at this capital increase, the rights and obligations are the same as the original issued common stocks.
- (5) After the proposal was approved by the shareholders' meeting, and declared and approved by the competent authority in accordance with laws, except setting relevant matters, such as the base date of ex-right, allotment or capitalization, etc., the meeting of board of directors shall be authorized to conduct matters with full discretion by shareholders' meeting when matters shall be altered approved by the competent authority or as responding to the practice needs.

Resolution:

Proposal: Amendment of the Company's "Rules of Procedure for Shareholders Meetings", for your resolution.

Explanation: 1. According to Letter No. 1110004250 of TWSE and Letter No. 1080024221 of TWSE, parts of articles of the Company's Rules of Procedure for Shareholders Meetings were amended.

2. Comparison of current articles and amended articles is as follows.

**FORTUNE ELECTRIC CO., LTD.**  
**Comparison of current articles and amended articles of**  
**"Rules of Procedure for Shareholders Meetings"**

Amended articles	Current articles	Explanation
<p>Article 1:  The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, <u>and the shares checked in on the virtual meeting platform</u>, plus the number of shares whose voting rights are exercised by correspondence or electronically.</p> <p>(Omitted. )</p> <p>Shareholders or proxies (collectively "shareholders") shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.  <u>When the Company's shareholders' meeting is held, it shall be made by a virtual meeting or by other methods announced by central competent authority.</u></p>	<p>Article 1:  The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, plus the number of shares whose voting rights are exercised by correspondence or electronically.</p> <p>(Omitted. )</p> <p>Shareholders or proxies (collectively "shareholders") shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p>	<p>According to letter no. 1110004250 of TWSE, it was added.</p>

<p>Article 3: The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. <u>The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.</u></p>	<p>Article 3: The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.</p>	<p>According to letter no. 1110004250 of TWSE, it was added.</p>
<p>Article 5: The Company shall make an uninterrupted audio and video recording of the proceedings of the shareholders' meeting, the recorded materials of the preceding paragraph shall be retained for at least one year. <u>Where a shareholders' meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end, it shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.</u></p>	<p>Article 5: The Company shall make an uninterrupted audio and video recording of the proceedings of the shareholders' meeting, the recorded materials of the preceding paragraph shall be retained for at least one year.</p>	<p>According to letter no. 1110004250 of TWSE, it was added.</p>
<p>Article 6: If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal <u>in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda)</u>. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.</p>	<p>Article 6: If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.</p>	<p>According to letter no. 1110004250 of TWSE, it was added.</p>

<p>Article 8: (Before omitted)</p> <p>A shareholder's speaking is in violation of the regulations in accordance with the preceding paragraph or beyond the scope of a proposal, the chair shall stop any violation.</p> <p><u>When shareholders attend the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned.</u></p> <p><u>No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words.</u></p> <p>(After omitted)</p>	<p>Article 8: (Before omitted)</p> <p>A shareholder's speaking is in violation of the regulations in accordance with the preceding paragraph or beyond the scope of a proposal, the chair shall stop any violation.</p> <p>(After omitted)</p>	<p>According to letter no. 1110004250 of TWSE, it was added.</p>
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Resolution:

## Extemporary Motions

## Adjournment



## Appendix 1

### FORTUNE ELECTRIC CO., LTD.

#### Articles of Incorporation

##### Chapter 1. General Provision

Article 1: The Company organized in accordance with the Company Act, named “華城電機股份有限公司” and the English name is “FORTUNE ELECTRIC CO., LTD”.

Article 2: The Company’s operating business is as follow:

- (1) CC01010 power generation, power transmission, power distribution machinery manufacturing
- (2) CC01080 electronic component manufacturing
- (3) CC01990 other electrical engineering and electronic machinery equipment manufacturing
- (4) E601010 electrical installation industry
- (5) E603040 firefighting equipment construction
- (6) E603050 automatic control equipment engineering
- (7) EZ05010 instrument and meters installation engineering.
- (8) F113020 wholesale of household appliance
- (9) F114030 wholesale of motor vehicle parts and supplies
- (10) F213010 retail sale of electrical appliances
- (11) F214030 retail sale of motor vehicle parts and supplies
- (12) F401010 international trade
- (13) IG03010 energy technical services
- (14) CE01021 weights and measuring instruments manufacturing
- (15) E501011 tap water pipelines contractors
- (16) E602011 refrigeration and air conditioning engineering
- (17) CB01010 machinery equipment manufacturing
- (18) CB01030 pollution controlling equipment manufacturing
- (19) CD01030 automobile and parts manufacturing
- (20) CD01040 motor vehicles and parts manufacturing
- (21) E502010 fuel catheter installation engineering
- (22) E599010 piping engineering
- (23) E601020 electric appliance installation
- (24) E603010 cable installation engineering
- (25) E603080 traffic signs installation engineering
- (26) E603090 lighting equipment construction
- (27) E604010 machinery installation
- (28) E605010 computer equipment installation
- (29) E701030 controlled telecommunications radio-frequency devices installation engineering
- (30) EZ15010 warming and cooling maintenance construction
- (31) I103060 management consulting
- (32) I301010 information services
- (33) IF01010 fire safety equipment inspection and repair
- (34) E606010 power consuming equipment inspecting and maintenance
- (35) J101050 environmental testing services
- (36) J101060 wastewater (sewage) treatment
- (37) F213110 retail sale of batteries
- (38) F214010 retail sale of motor vehicles
- (39) F214020 retail sale of motorcycles
- (40) G202010 parking area operators
- (41) ZZ99999 except licensing business, all business items that are not prohibited or restricted by law.

- Article 2-1: The Company may make guarantees for other companies, reinvest in other business, and the Company's total investment may exceed 40% of paid-in capital.
- Article 3: The Company established the head office in Taoyuan City, shall establish branches in other proper places, and its establishment and dissolution shall be approved by the resolution of board of directors when it's necessary.
- Article 4: The Company's announcement methods shall be implemented in accordance with Article 28 of the Company Act.

#### **Chapter 2. Shares**

- Article 5: The Company's total capital was set as NT\$ 5 billion, separated into 500 million common stocks, the price per share was NT\$ 10, and were issued by authorized board of directors in several times.  
Taiwan Depository & Clearing Corporation may request to consolidating exchange large denomination securities.
- Article 5-1: According to Article 56-1 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers and Article 10-1 of Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies, the Company is required to obtain the consent of at least two-third of the voting rights represented at a shareholders meeting attended by shareholders representing a majority of the total issued shares, may issue employee stock warrants to transfer to employees with lower than the closing price of the Company's stocks as of the issuing date, and lower than the average price of actual buy-back.
- Article 6: The Company may be exempted from printing any share certificate for the shares issued, but shall be registered in Taiwan Depository & Clearing Corporation.
- Article 7: Affairs related to stocks, such as transfer of share ownership, grant, creation of rights, pledge, reporting of loss, inheritance, grant and reporting of specimen chop loss, change or address change, etc., shall be handled by the Company's shareholders in accordance with Regulations Governing the Administration of Shareholder Services of Public Companies and other related regulations, unless otherwise provided by law or securities regulations.
- Article 8: Deleted.
- Article 9: The entries in the shareholders' roster shall not be altered within 60 days prior to the convening date of a regular shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting, or within 5 days prior to the target date fixed by the Company for distribution of dividends, bonus or other benefits.

#### **Chapter 3. Shareholders' meeting**

- Article 10: Shareholders' meeting shall be of two kinds: a regular shareholders' meeting and a special shareholders' meeting, the regular shareholders' meeting, a regular shareholders' meeting one time every year, within six months after close of each fiscal year, and the special shareholders' meeting shall be convened in accordance with the regulations when it's necessary.
- Article 10-1: When the Company's shareholders' meeting is held, it shall be made by a virtual meeting or by other methods announced by central competent authority.
- Article 11: The Company's shareholders have one voting right each shareholding, but they have no voting right in accordance with restrictions or Article 179-2 of the Company Act and related regulations.
- Article 12: If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairman. When the chairman is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairman shall act in place of the chairman; if there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairman shall appoint one of the managing directors to act as chair; a shareholders' meeting convened by a party with the power to convene that is not the board of directors, the meeting shall be chaired by him/her/it, however, that if there are two or more persons having the convening right, the chairman of the meeting shall be elected from among themselves.
- Article 13: A resolution approved by a shareholders' meeting, unless otherwise provided by the Company Act, shall be adopted by a majority of the voting rights exercised by the shareholders present at the shareholders' meeting who represent a majority of the outstanding shares of the Company.  
The Company's shareholders may exercise voting rights by means of electronic transmission, and related matters shall be handled in accordance with the law and regulations.

#### **Chapter 4. Board of Directors and Audit Committee**

- Article 14: The Company may organize the board of directors with 5-13 directors who shall be elected by the shareholders' meeting from among the persons with disposing capacity, and the term of office of a director shall not exceed three years, but he/she may be eligible for re-election.  
The board of directors shall have at least three independent directors among board of directors' members, and shall not be less than one-fifth of the director seats.  
A candidate nomination system shall be adopted, independent directors shall be elected and appointed by board of directors from the director candidates list, and shall be handled in accordance with Article 192-1 of the Company Act.  
The total number of shares of the Company's registered share certificates held by all directors, shall be met the standard of Regulations of Securities Authority.
- Article 14-1: Remunerations of chairman, vice chairman and directors, according to his/her participation degree and dedicated value, shall be approved by authorized board of directors in accordance with the general level of the same industry.  
The Company may purchase a liability insurance for the Company's directors approved by the resolution of board of directors.
- Article 15: Board of directors was organized by directors, adopted by a majority vote at a meeting of the board of directors attended by over two-third of the directors, a chairman shall be elected from among the directors. The chairman represents the Company externally, and as the business needs, a vice chairman may be elected among directors by the same way.
- Article 16: The duties and powers of the board of directors are as follows:  
(1) Approval of business plans.  
(2) Preparation of important chapters and contracts.  
(3) Established and dissolution of branches.  
(4) Drawing up budgets and final accounts.  
(5) Appointment and removal of executive staff.  
(6) Other regulation matters provided by the Company Act and the Article of Incorporation.
- Article 17: If a shareholders meeting is convened by the chairman, and the chairman shall be the chair of the meeting. When the chairman is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairman shall act in place of the chairman; if there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairman shall appoint one of the managing directors to act as chair; where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.
- Article 17-1: A meeting of board of directors shall be convened one time each quarter, in calling a meeting of the board of directors, a notice stating causes shall be given to each director no later than 7 days prior to the scheduled meeting date; but in the case of emergency, a meeting of the board of directors may be convened at any time. The notice of convening a meeting of board of directors shall be made in forms of writing, fax or E-mail, etc.
- Article 18: A resolution approved by a shareholders' meeting, unless otherwise provided by the Company Act, shall 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.  
In case a meeting of the board of directors is proceeded via visual communication network, the shareholders taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.
- Article 19: In case a director is unable to attend a meeting of board of directors in person for any cause, he/she/it shall can designate one director to represent, but a director may accept the appointment to act as the proxy of one other director only.
- Article 20: The Company may establish an audit committee in accordance with Article 14-4 of Securities and Exchange Act, and the audit committee shall be composed of all independent directors, one of the independent directors shall be a convener, and at least one person shall have specialties of accountant or finance.

#### **Chapter 5. (Deleted)**

- Article 20-1: Deleted.  
Article 21: Deleted.  
Article 22: Deleted.

### **Chapter 6. Managerial Officer**

Article 23: The Company may have a general manager and a chief executive officer, and shall uphold a policy of a resolution of board of directors, and comprehensive management of the Company's all businesses adopted by a majority of the total number of directors of the Company to appoint and removal separately.

Article 24: The Company may have several managerial officers, and shall be reported to be approved by a majority of the total number of directors of the Company for his/her appointment and removal.

### **Chapter 7. Accounting**

Article 25: The Company's fiscal year is from January 1 to December 31.

Article 26: At the close of the Company's fiscal year, the board of directors shall prepare the following statements and records and shall forward the same for approval:

- (1) The business report.
- (2) The financial statements.
- (3) The surplus earning distribution or loss off-setting proposals.

Article 27: When the Company has an amount of profit (the term "an amount of profit" means pre-tax benefits deducted the benefits before employees' and directors' remuneration), shall allocate not less than 3% as employees' remuneration, not more than 2% as directors' remuneration. However, the company's accumulated losses (including adjusted unappropriated earnings) shall have been covered. Employees' remuneration mentioned in the preceding paragraph may be distributed in the form of shares or in cash, and directors' remuneration may be distributed in cash only.

The preceding two paragraphs shall be handled by the resolution of board of directors, and shall be reported to the shareholders' meeting.

When the Company implements employees' remuneration, employee treasury stocks, employee subscription warrants, employee off-take of new shares, and employee stock option certificates, etc., for the payment objects, shall include the control met certain conditions or employees from the subsidiaries.

Article 27-1: When the Company's total budget has after-tax net profit (included adjusted undistributed earnings), the accumulated losses shall have been reserved the accumulated amount in advance, allocated 10% as a legal reserve in accordance with the regulations, but when the accumulated legal reserve achieved the Company's total paid-in capital, this shall not apply. Then appropriated or reversal special reset special reserve in accordance with the decrees or the regulations of the competent authority. Earnings hereafter, together with beginning retained earnings, the earnings distribution proposal shall be programed by board of directors, and reported to a shareholders' meeting for a resolution of shareholders' dividends distribution.

Board of directors shall be authorized by directors attended by two-thirds of the directors of the company, and a resolution by a majority of attended directors, the Company's all or part of distribution of dividends and bonus shall be distributed in cash, and reported to a shareholders' meeting.

The Company's dividend policy, was along with the current and future development plan, considered the investment environment, capital needs and domestic and overseas competition situations, and to take the factors into account, like shareholder's equity, etc., the appropriation of distributable earnings of each year, shall not be less than 60% of distributed shareholders' dividends, distributed shareholders' dividends shall be paid in cash or in form of stocks, and cash dividend ratio shall not be less than 25% of total distributed dividends therein as restrictions.

Article 27-2: When the Company has no deficit, board of directors shall be authorized by two-third or more of attended directors, adopted by a majority of the directors at a meeting, legal reserve (the part of more than 25% of paid-up capital) and all or part of capital reserve in accordance with the Company Act shall be paid in cash, and reported to a shareholders' meeting.

## **Chapter 8. Supplemental Provisions**

Article 28: The Company's organizational regulations and the handling rules may be prescribed separately.

Article 29: Unsettled affairs of the Articles of Incorporation shall be handled in accordance with the Company Act.

Article 30: The Articles of Incorporation was drawn up on August 4, 1969.

The 1st amendment was made on December 31, 1974.

The 2nd amendment was made on July 27, 1979.

The 3rd amendment was made on December 28, 1979.

The 4th amendment was made on September 26, 1982.

The 5th amendment was made on January 5, 1984.

The 6th amendment was made on February 6, 1985.

The 7th amendment was made on November 10, 1986.

The 8th amendment was made on July 13, 1987.

The 9th amendment was made on June 27, 1988.

The 10th amendment was made on November 16, 1989.

The 11th amendment was made on April 20, 1991.

The 12th amendment was made on August 20, 1991.

The 13th amendment was made on June 25, 1992.

The 14th amendment was made on October 12, 1992.

The 15th amendment was made on May 12, 1993.

The 16th amendment was made on May 24, 1994.

The 17th amendment was made on May 28, 1996.

The 18th amendment was made on May 20, 1997.

The 19th amendment was made on May 7, 1998.

The 20th amendment was made on May 24, 2000.

The 21st amendment was made on June 22, 2001.

The 22nd amendment was made on June 26, 2002.

The 23rd amendment was made on June 23, 2003.

The 24th amendment was made on June 28, 2005.

The 25th amendment was made on June 15, 2006.

The 26th amendment was made on June 27, 2007.

The 27th amendment was made on June 19, 2008.

The 28th amendment was made on June 10, 2009.

The 29th amendment was made on June 10, 2011.

The 30th amendment was made on February 17, 2012.

The 31st amendment was made on June 23, 2014.

The 32nd amendment was made on June 13, 2016.

The 33rd amendment was made on June 14, 2017.

The 34th amendment was made on June 13, 2019.

The 35th amendment was made on June 12, 2020.

The 36th amendment was made on June 13, 2024.

## Appendix 2

### **FORTUNE ELECTRIC CO., LTD. Rules of Procedure for Shareholders Meetings**

Approved by the regular shareholders' meeting on June 15, 2015

- Article 1: The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.
- The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholder meeting in a non-voting capacity.
- Shareholders and their proxies (collectively, "shareholders") shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.
- Article 2: The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one-third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to paragraph 1, Article 175 of the Company Act. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.
- Article 3: The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.
- Article 4: If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairman. When the chairman is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairman shall act in place of the chairman; if there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. If a shareholders' meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting, when there are two or more such convening parties, they shall mutually select a chair from among themselves.
- Article 5: The Company shall make an uninterrupted audio and video recording of the proceedings of the shareholders' meeting, and shall retain it for at least one year.
- Article 6: If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors, the meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. After the meeting was adjourned, a new chair shall not be elected by shareholders to continue a meeting at the original address or other place. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall elect a new chair by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

- Article 7: Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name, the order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed he/she has not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.  
When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor, the chair shall stop any violation.
- Article 8: Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech. When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.
- Article 9: After an attending shareholder has spoken, the chair may respond in person or designate relevant personnel to respond.  
The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.
- Article 10: 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.  
Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.
- Article 11: When a meeting is in progress, the chair may announce a break based on time considerations.
- Article 12: A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under paragraph 2, Article 179 of the Company Act.  
Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.  
With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.  
When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.  
The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.  
When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
- Article 13: The chair may direct the proctors (or security personnel) to help maintain order at the meeting place. When proctors (or security personnel) help maintain order at the meeting place, they shall wear an armband bearing the word "Proctor."
- Article 14: A shareholder (or a proxy) shall obey the related instruction of maintaining order from the chair, the proctors (or security personnel). When a person disrupts the shareholders' meeting, and shall be excluded by the chair or the proctors (or security personnel).
- Article 15: Unsettled affairs of the Articles of Incorporation shall be handled in accordance with the Company Act, Securities and Exchange Act and related decrees.
- Article 16: These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.



## Appendix 3

### **FORTUNE ELECTRIC CO., LTD. Directors' Shareholding Statement**

Title	Name	Appointment date	End of term	Shareholding number as elected		Shareholding number registered in the shareholders roster on the book closure date	
				Shares	Ratio (%)	Shares	Ratio (%)
Chairman	Hsu, Bang-Fu	June 15, 2023	June 14, 2026	18,088,322	6.93	18,601,823	6.48
Vice chairman	Hsu, Shou-Hsiung	June 15, 2023	June 14, 2026	22,603,419	8.66	24,863,760	8.66
Director	Hsu, I-Te	June 15, 2023	June 14, 2026	3,948,577	1.51	2,148,246	0.75
Director	Hsu, I Sheng	June 15, 2023	June 14, 2026	3,248,470	1.24	3,573,317	1.24
Director	Shu, Yi-Cheun	June 15, 2023	June 14, 2026	1,057,892	0.41	1,163,681	0.41
Director	Weng, Jen-Pei	June 15, 2023	June 14, 2026	751,468	0.29	754,614	0.26
Independent director	Hu, Len-Kuo	June 15, 2023	June 14, 2026	0	0.00	0	0.00
Independent director	Lei, Whey-Min	June 15, 2023	June 14, 2026	0	0.00	0	0.00
Independent director	Liao, Chih-Hsiang	June 15, 2023	June 14, 2026	0	0.00	0	0.00
Independent director	Yeh, Yun-Ching	June 15, 2023	June 14, 2026	0	0.00	0	0.00
Sum of directors				49,698,148	19.04	51,105,441	17.80

1. The Company's paid-in capital was 261,058,548 shares on June 15, 2023, paid-in capital on April 15, 2025 was 287,164,403 shares.
2. The sum of all shareholders' legal shareholding was 12,000,000 shares, according to Article 2 of Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, "if a public company has elected two or more independent directors, the share ownership figures calculated at the rates for all directors and supervisors other than the independent directors and shall be decreased by 20 percent". The Company has set up an audit committee, and the shareholding of supervisors shall not apply.
3. Shareholding number registered in shareholders' roster until book closure date (April 15, 2025) is as above, and met the number standard in accordance with Article 26 of Securities and Exchange Act.