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成霖企業股份有限公司
Globe Union Industrial Corp.

Handbook for the 2024 Annual Meeting of Shareholders

Meeting Time : May 30th, 2024

Shareholders meeting will be held by means of physical shareholders meeting

PLACE :

3rdF., No.1, Chien-Kuo Rd., Tanzi Dist., Taichung City,
Taiwan (R.O.C.)
(Recreation Room of Taichung Export Processing Zone)

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Globe Union Industrial Corp.

Procedure for the 2024 Annual Meeting of Shareholders

- I. Call the Meeting to Order
- II. Chairperson Remarks
- III. Report Items
- IV. Proposals and Discussion
- V. Elections
- VI. Other Matters
- VII. Questions and Motions
- VIII. Adjournment

Globe Union Industrial Corp.

Year 2024

Agenda of Annual Meeting of Shareholders

- I. Time : 9:30 a.m., on Thursday, May 30th, 2024
- II. Place : 3rdF., No.1, Chien-Kuo Rd., Tanzi Dist., Taichung City,
Taiwan (R.O.C.)
(Recreation Room of Taichung Export Processing Zone)
- III. Shares of the Attending Shareholders Represent
- IV. Call the Meeting to Order
- V. Chairperson Remarks
- VI. Report Items :
 1. 2023 Business Report.
 2. The Audit Committee's Review Report on the 2023 audited Financial Statements.
 3. The 2023 Distribution of Remuneration for Employees and Directors.
 4. Report on the 2023 Distribution of Cash Dividends from Earnings.
 5. Report on the 2023 Remuneration of Directors.
- VII. Proposals and Discussion :
 1. Adoption of the 2023 Business Report and Financial Statements.
 2. Adoption of the Proposal for 2023 Dividend Distribution.
- VIII. Elections
The 19th Election of Directors (including 4 Independent Directors).
- IX. Other Matters
Proposal of Release the Prohibition on Directors from Participation in Competition Business.
- X. Questions and Motions
- XI. Adjournment

I. Report Items :

Report No. 1 :

2023 Business Reports

Explanation :

The 2023 Business Report is attached as p.14, Attachment 1.

Report No. 2 :

The Audit Committee's Review Report on the 2023 audited Financial Statements.

Explanation :

The 2023 Audit Committee's Review Report is attached as p.16, Attachment 2.

Report No. 3 :

The 2023 Distribution of Remuneration for Employees and Directors.

Explanation :

- (1) According to Article 25-1, Section 1, of the Company's Articles of Incorporation "If the Company was profitable during the year, at least 2% of the profit shall be allocated as employee remuneration first, and no more than 2% can be allocated as remuneration for directors and supervisors. However, an amount shall be set aside in advance to compensate for cumulative losses, if any."
- (2) The Company has proposed to allocate NT\$4,095,000 as Directors' FY2023 remuneration and proposed to allocate NT\$21,905,000 as Employees' FY2023 remuneration.
- (3) The remunerations shall be distributed by cash. The proposals have been approved by the Remuneration Committee and the Board of Directors on March 11st, 2024.

Report No. 4 :

Report on the 2023 Distribution of Cash Dividends from Earnings.

Explanation :

- (1) In accordance with the Company's Articles of Incorporation, the

Board of Directors shall be authorized to distribute the stock dividends in cash and report to the shareholders' meeting.

- (2) The board of directors has approved the distribution of cash dividends of NT\$1.2 per share, the total dividend distributed is NT\$491,356,754, the calculation should round to dollar. The fractional shares from cash dividend distribution shall transfer to employee welfare committee. The chairman of the board of directors is authorized to set the ex-dividend base date and related schedule. The Chairman of the Board shall also be authorized to amend the rate of cash dividend distributed to shareholders, if any events that affect the number of outstanding shares of the company.

Report No. 5 :

Report on the 2023 Remuneration of Directors.

Explanation :

The Director's remuneration shall be distributed in accordance with the "Articles of Incorporation" of the Company and the "Regulations for the Payment of Remuneration to Directors". The Directors shall receive a fixed remuneration, Transportation allowance; and additional remuneration only if certain criteria is met when the Company is profitability for the year. Item 1 of Article 25-1 of the "Articles of Incorporation" stipulated if the Company makes a profit in the year, it may allocate no more than 2% of the net profit before tax as directors' remuneration; however, if the company still has accumulated losses, the compensation amount should be reserved. Reasonable remuneration should be given based on the company's operating results and its contribution to the company. The performance evaluation of the relevant board of directors and functional committees has been approved by the 12th Remuneration Committee of the 5th session of the company. The breakdown of the individual remuneration of directors as follows:

Unit: Thousand NTD

Title	Name	Director's remuneration								Ratio of total compensation (A+B+C+D) and to net profit after tax (%)	
		Remuneration (A)		Severance pay and pension (B)		Director's remuneration (C)		Business expenses (D)		The Company	All companies in the financial report(%)
		The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report		
Director	Representative of Ming-Ling Co., Ltd.:										
	Shane Ouyang	3,500	3,500	0	0	954	954	240	360	4,694 0.78%	4,814 0.80%
	Hung-Kang Lin	500	500	0	0	477	477	240	240	1,217 0.20%	1,217 0.20%
	Andrew Yates	500	500	0	0	477	477	150	150	1,127 0.19%	1,127 0.19%
	Wen-Hsin Chen	500	500	0	0	477	477	240	240	1,217 0.20%	1,217 0.20%
Independent Director	Chin-Shan Huang	800	800	0	0	477	477	210	210	1,487 0.25%	1,487 0.25%
	Young-Sheng Hsu	800	800	0	0	477	477	270	270	1,547 0.26%	1,547 0.26%
	Wen-Yi Fan	800	800	0	0	477	477	270	270	1,547 0.26%	1,547 0.26%
	Ta-Chin Hsu	379	379	0	0	279	279	120	120	778 0.13%	778 0.13%

Title	Name	Remuneration for part-time employees								Ratio of total compensation (A+B+C+D+E+F+G) and to net profit after tax(%)		Remuneration from reinvestments other than subsidiaries or the parent company
		Salary, bonuses, and allowances (E)		Severance pay and pension (F)		Employee remuneration (G)				The Company	All companies in the financial report	
		The Company	All companies in the financial report	The Company	All companies in the financial report	The Company		All companies in the financial report				
						Cash value	Share value	Cash value	Share value			
Director	Representative of Ming-Ling Co., Ltd.:											
	Shane Ouyang	0	0	0	0	0	0	0	0	4,694 0.78%	4,814 0.80%	0
	Hung-Kang Lin	0	0	0	0	0	0	0	0	1,217 0.20%	1,217 0.20%	0
	Andrew Yates	0	0	0	0	0	0	0	0	1,127 0.19%	1,127 0.19%	0
	Wen-Hsin Chen	0	0	0	0	0	0	0	0	1,217 0.20%	1,217 0.20%	0
Independent Director	Chin-Shan Huang	0	0	0	0	0	0	0	0	1,487 0.25%	1,487 0.25%	0
	Young-Sheng Hsu	0	0	0	0	0	0	0	0	1,547 0.26%	1,547 0.26%	0
	Wen-Yi Fan	0	0	0	0	0	0	0	0	1,547 0.26%	1,547 0.26%	0
	Ta-Chin Hsu	0	0	0	0	0	0	0	0	778 0.13%	778 0.13%	0

The amount of director's remuneration was approved by the board of directors on March 11, 2024.

II. Proposals :

Matter No. 1 :

Adoption of the 2023 Business Report and Financial Statements.
(Proposed by the Board)

Explanation :

(1)The Company's FY 2023 Business Report (please refer to p.14 , Attachment 1) and Financial Statements (as for the Consolidated and Parent Company Only Financial Statements, please refer to p.17, Attachment 3) have been approved by the Board of Directors and audited by the Ernst & Young, Taiwan, and reviewed by the Audit Committee.

(2)Submit for approval.

Resolution :

Matter No. 2 :

Adoption of the Proposal for 2023 Dividend Distribution.
(Proposed by the Board of Directors)

Explanatory Notes :

(1) The 2023 earnings distribution proposal was adopted at the board meeting on March 11, 2024. Please refer to p.41, Attachment 4 for the earnings distribution.

(2) Submit for approval.

Resolution :

III. Elections :

The 19th Election of Directors (including 4 Independent Directors) :

Explanation:

1. The term of 18th session of Directors will be expired on August 1st, 2024, the Company shall conduct election for the 9 Directors (including 4 Independent Directors) on the Y2024 shareholders meeting in accordance with the Company's Article of Incorporation, the length of the term shall be 3 years.
2. The term of the 19th Directors elected will be from May 30th, 2024 to May 29th, 2027, for 3 years term, the directors may be eligible for re-election. The incumbent 18th session directors will be dismissed on the date when the newly elected directors take office.
3. The nominated candidate list has been examined and approved by The 18th Session of Board of Directors in the 23th meeting held April 12th, 2024. List as below.

Director Candidates:

Name	Education	Experience	Current position	Shareholding
Ming-Ling Co., Ltd. Representative: Shane Ouyang	M.S. in Marketing, Northwestern University, USA	•Founder and CEO of Venture-G Inc.	•Chairman & CEO of Globe Union Industrial Corp.	37,974,032
Ming-Ling Co., Ltd. Representative: Hung-Kang Lin	MBA, Bernard M. Baruch College, CUNY (City University of New York)	•Director of San-An Biotech Co. Ltd. •Director of Taichung City Private Jumei Social Welfare Charitable Foundation •Country managing partner, Ernst & Young •Partner of Ernst & Young	•Independent director, convener of the Audit Committee, and Remuneration Committee member of O-Bank •Independent director, convener of the Audit Committee, and Remuneration Committee member of Johnson Health Tech. Co., Ltd. •Supervisor of Union Mechatronic Inc. •Institutional Director of Panjit International Inc.	37,974,032

Name	Education	Experience	Current position	Shareholding
			<ul style="list-style-type: none"> •Independent director of Samson Holding Ltd.(0531.HK) •Chairman of Ernst & Young Education Foundation, Taipei 	
Ming-Ling Co., Ltd. Representative: Ta-Chin Hsu	Department of Business Administration, Fu Jen Catholic University	<ul style="list-style-type: none"> •Chairman of The THAI KIN CO., LTD. 	<ul style="list-style-type: none"> •Director of The THAI KIN CO., LTD. •Chairman of The Royal Finishing Co., Ltd. 	37,974,032
Ming-Ling Co., Ltd. Representative: Yuan-Long Lo	PhD in Physics, University of Washington	<ul style="list-style-type: none"> •Medifacts Software Engineer •JSR Micro Inc R&D Engineer 	<ul style="list-style-type: none"> •Director of the Board, Cheng Shin Rubber Industry Co. Ltd. •Assistant Manager of Cheng Shin Rubber Industry Co. Ltd. 	37,974,032
Ming-Ling Co., Ltd. Representative: Todd Alex Talbot	University of Nevada, BS of Business Administration; Economics	<ul style="list-style-type: none"> •CEO of Globe Union Industrial Corp. •President, Fluidmaster Inc. •Partner, Mega Western Sales •COO Oldcastle Glass Division of CRH •President of BrassCraft and Alsons Divisions of Masco Sales Manager, Hoyt Water Heater 	-	37,974,032

Independent Director Candidates

Name	Education	Experience	Current position	Shareholding
Chien-Chih Sheng	Master in Business Administration (MBA). Drucker School of Management, Claremont Graduate University	<ul style="list-style-type: none"> •VP & Director of Hota Industrial Mfg. Co., Ltd. •Manager of Dong An Investment Co., Ltd 	<ul style="list-style-type: none"> •CEO of Hota Industrial Mfg. Co., Ltd. •CEO of Kao Ho Chuan Kuei Charity Foundation •Director of Hota Industrial Mfg. Co., Ltd. •Director of Kao Fong Machinery Co., Ltd. •Independent Director of Orange Electronic 	0

Name	Education	Experience	Current position	Shareholding
			Inc. • Director of World Known Mfg (Cayman) Ltd. • Independent Director of Tan De Tech Co., Ltd. • CEO of Gao He Chungui Charitable Foundation • Member of Chiayi County Industrial and Commercial Development and Investment Promotion Association • Member of the Yunjia South District Enterprise Information Committee, Executive Yuan • Director of the Manufacturers Association of Dapu Mei Precision Machinery Park in Chiayi County • Member of the Review Committee for Industry-Academic Cooperation and Talent Cultivation and Innovation in National Key Areas of the Ministry of Education • The 14th Director of the Taiwan Science Park Science and Industry Association	
Wen-Yi Fan	Master Degree, Telecommunication, Michigan State University Bachelor Degree, English Literature, Tamkang University	• Chief Advisor, Bremen Digital • Managing Director & Partner, AnalogFolk China • Chief Strategic Integrator, Isobar China Group • Regional Business Director, wwwins Isobar Greater China • VP Client Service, J. Walter Thompson Taipei	-	0

Name	Education	Experience	Current position	Shareholding
Pi-Ling Hu	<p>Master of Business Administration: Concentration in Finance, Insurance and Real Estate, University of Memphis (Formerly Memphis State University)</p> <p>Bachelor of Economics, National Chengchi University</p>	<ul style="list-style-type: none"> •Project Vice President/Capital Market Div, Taishin Securities Co., Ltd. •Deputy manager of Underwriter, China securities Co., Ltd. •Journalist, Commercial Times •Journalist, Independence Morning Post 	-	0
Hung-Yi Hsiao	<ul style="list-style-type: none"> •PH.D. (Doctor of Law), School of Law, Soochow University •LL.M. (Master of Law), School of Law, National Cheng Kung University •LL.B. (Bachelor of Law), School of Law, Soochow University 	<ul style="list-style-type: none"> •Dean, Office of International & Cross-Strait Academic Exchange, Soochow University •Director of Chunghwa Telecom Co., Ltd. •Independent Director and Chairman of China Electric Appliances Co., Ltd. •Dean, Office of Student Affairs, Soochow University •Committee member, Judges Evaluation Commission, Judicial Yuan 	<ul style="list-style-type: none"> •Dr. Science & Technology Law Institute INSTITUTE FOR INFORMATION INDUSTRY •Committee member, National Judge Personal Information Protection Commission, Judicial Yuan •Senior Strategy Chief of Technology Transfer Foundation Law Center in Industrial Technology Research Institute •Trustee in Taiwan information Security Foundry company board, •Committee member, Prosecutor Review Commission, Ministry of Justice •Director representative appointed by legal persons, China Development Financial Holding Corporation •Professor, School of Law, Soochow University 	0

4. Please vote.

Voting Results :

IV. Other Matters

Proposal of Release the Prohibition on Directors from Participation in Competition Business.

Explanation:

1. In pursuance of Article 209 of the Company’s Act, “A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.”.
2. Propose to release 19th session Directors elected from such restriction for who might be taking positions as manager s or directors in the same Scope of the Company’s business, so the Directors can contribute his or her knowledge and experience to the Company. The Company proposes to submit this motion in accordance of law and regulation to the Shareholder Meeting for approval.
3. Release of restriction from non-compete for Newly-elected Directors listed

Position	Name	Company	remark
Director	Shane Ouyang	Director of the Globe Union Industrial (BVI) Corp. 、 ShenZhen Globe Union Enterprise Co., Ltd. 、 Globe Union Cayman Corp. 、 Globe Union Germany GmbH & Co.KG 、 Globe Union Verwaltungs GmbH 、 Milim G&G Ceramics Co., Ltd 、 Globe Union (Bermuda) Ltd. 、 Globe Union Group, Inc. 、 Globe Union (Canada) Inc. 、 Danze,Inc. 、 Gerber Plumbing Fixtures LLC 、 GU Plumbing de Mexico, S.A. de C.V. 、 Globe Union Ann Bo Manufacturing Co., Ltd 、 He Shun Investment Co., Ltd	Act of Director (*1)
Director	Todd Alex Talbot	Director of the Globe Union Germany GmbH & Co.KG 、 Globe Union Verwaltungs GmbH	Act of Director (*1)
Director	Ta-Chin Hsu	Director of the THAI KIN CO.,	

Position	Name	Company	remark
		LTD. Chairman of the Royal Finishing Co., Ltd.	

*1 : Company mentioned is Globe Union's Subsidiary, percentage of ownership 100%.

4. Submit for approval.

Resolution :

V. Questions and Motions

VI. Adjournment

Attachment 1

Business Report

In 2023, the global political and economic situation remained turbulent, and the industry operating environment was undergoing adjustments. Fortunately, with the collective efforts of our colleagues and the support of our stakeholders, Globe Union Industrial Corp. demonstrated business resilience and successfully navigated through operational challenges. Simultaneously, we continuously enhanced our operational capabilities to strengthen long-term competitiveness.

As part of our ongoing plan to relocate our faucet hardware factory, we successfully closed the Shenzhen Fuyong facility in the third quarter of 2023; and seamlessly transitioned to our Dongguan Globe Union Ann-Bo manufacturing Co. Ltd. the operation and responsibility of supplying hardware products. During the relocation process, Globe Union not only ensured that its commitments to customers were met in terms of orders and delivery schedules, but also took the opportunity to optimize the company's resource allocation and achieve the business structure set by the strategy.

Meanwhile, through continuous improvement and collaborative efforts, the Mexican ceramic factory (GUMX) has significantly improved its yield. This has enabled the company to gradually reduce the length of its previous supply chain model and better adapt to future global supply chain trends with increased flexibility.

PJH, the UK subsidiary, has chosen a new warehouse facility in response to its industry-leading position in recent years. In 2023, they planned to expand their storage capacity to meet the growing business demand. This project will continue in 2024 and is expected to help PJH achieve a new operational milestone.

Amidst market adjustments, the group is progressing with the preliminary work for the planned expansion of Gerber's retail channel strategy in North America. Over the past three years, Gerber's operations have been proven to withstand the impact from external operational changes, such as inflation, which has highlighted the significance of brand value and its contribution to the Groups overall performance. This has further reinforced the need and justification for investing in enhancing Gerber's brand competitiveness.

In summary, based on the 2023 operational overview report, the company has undergone structural adjustments over the past year. As a result, in 2024, the company's main operations will be focused on Gerber and PJH, with contract manufacturing serving as a supporting structure. The operational plan will incorporate Globe Union's sustainable vision and regularly conduct target assessments to verify progress, showcasing the commitment to sustainability.

We thank you for your support of our team and their initiatives.

Chairman :
Shane Ouyang

Executive :
Shane Ouyang

Accounting Manager :
Ying-Fan Chen

Attachment 2

Globe Union Industrial Corp. Audit Committee Audit Report

The Board of Directors has prepared and submitted the 2023 business report, financial statements, and earnings distribution proposal. Ernst & Young audited the financial statements and submitted an audit report. The Audit Committee has reviewed the business report, financial statements, and the earnings distribution proposal and did not find any instances of noncompliance. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, it is hereby submitted for your review and perusal.

Globe Union Industrial Corp.

Chairperson of the Audit Committee: Young-Sheng Hsu

April 12, 2024

Attachment 3

GLOBE UNION INDUSTRIAL CORP. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
WITH REPORT OF INDEPENDENT ACCOUNTANTS

FOR THE YEARS ENDED
31 DECEMBER 2023 AND 2022

Notice to readers:

The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

Address: No.22, Chien-Kuo Rd., Tanzi Dist., Taichung, Taiwan, R.O.C.

Telephone: 886-4-25349676

REPORT OF INDEPENDENT ACCOUNTANTS

English Translation of a Report Originally Issued in Chinese

To Globe Union Industrial Corp.

Opinion

We have audited the accompanying consolidated balance sheets of Globe Union Industrial Corp. (the “Company”) and its subsidiaries as at 31 December 2023 and 2022, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended 31 December 2023 and 2022, and notes to the consolidated financial statements, including the summary of material accounting policies (together “the consolidated financial statements”).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of 31 December 2023 and 2022, and their consolidated financial performance and cash flows for the years ended 31 December 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

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 the Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. 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 2023 consolidated financial statements. 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.

Goodwill assessment

As at 31 December 2023, the goodwill was carried at NT\$713,874 thousand which accounted for 5% of the total consolidated assets. The Company performed impairment testing on the cash-generating units according to the International Financial Reporting Standards. The recoverable amount of the cash-generating units has been determined based on the value in use because their fair value cannot be reliably measured. The impairment testing indicated that the value in use of certain cash-generating units was higher than their carrying amount. We determined goodwill assessment to be a key audit matter because the carrying amounts of goodwill were material to the Group; the determination of value in use was complex, and high level of management judgment was involved when making assumptions about cash flow forecasts.

Our audit procedures included, but were not limited to, evaluating whether the components of the cash-generating units have significantly changed, including analyzing the sales model and regions involved; evaluating the management's assessment approaches and assumptions of value in use; involving internal expert to assist us in evaluating the reasonableness of key assumptions used by management such as growth rates, discount rates, and gross margin; involving internal expert to assist us in evaluating the reasonableness of key components of discount rates such as cost of equity, company-specific risk premium and market risk premium by comparing them to other companies of similar size with the cash-generating units; interviewing management and assessing the reasonableness of assumptions used in their model such as cash flows, gross margin, growth rates, and the expected future market and economic conditions; comparing the actual financials to date with previously forecast financials and analyzing the Company's historical data and performance to assess the reasonableness of the cash flow forecast. We also assessed the adequacy of the disclosures related to result of impairment test and assumption's sensitivity in Notes 4, 5 and 6 to the financial statements.

Inventory valuation

As at 31 December 2023, the net inventories amounted to NT\$3,665,912 thousand, which accounted for 24% of the total consolidated assets. The determination of the provisions for obsolete inventories involved a high level of management judgment, and were subject to uncertainty due to product diversity. Furthermore, the cost of inventory included direct labor, raw material, and overhead, and the calculation and allocation were complex. Also, the allocation basis could have a material impact on the financial statements. As such, we determined this to be a key audit matter.

Our audit procedures included, but were not limited to, understanding and testing the design and operating effectiveness of internal control over inventory cost and allowance for inventory; performing inventory price testing to verify the allocation of cost, direct labor, and overhead is reasonable; assessing the appropriateness of the policy of provision for excess and obsolete inventory by testing the accuracy of inventory ageing and analyzing movement of the ageing, analyzing the difference between the policy of the current year and the prior year, and analyzing the difference between the historical provisions and the actual write-off amount; verifying that inventories were valued at the lower of cost or net realizable value by comparing the book value of inventories at the balance sheet date with recent sales price on selected samples; verifying the existence and completeness of inventories by tracing items on the final inventory listing to the physical inventory compilation; attending inventory counts to understand the status of the inventories and evaluate the appropriateness of the excess and obsolescence provision. We also assessed the adequacy of the disclosures related to inventories in Notes 4,5 and 6 to the financial statements.

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 requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

Auditor's 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 auditor's 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 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 internal control of the Company and its subsidiaries.
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 ability to continue as a going concern of the Company and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiaries 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 2023 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's 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.

Other

We have audited and expressed an unqualified opinion on the parent company only financial statements of the Company as at and for the years ended 31 December 2023 and 2022.

Tu, Ching Yuan

Lo, Wen Chen

Ernst & Young, Taiwan

11 March 2024

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, results of operations 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 accepted and applied in the Republic of China.

GLOBE UNION INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
31 December 2023 and 31 December 2022
(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As at	
		31 Dec 2023	31 Dec 2022
Current assets			
Cash and cash equivalents	4, 6(1)	\$2,964,092	\$2,271,437
Financial assets at fair value through profit or loss, current	4, 6(2)	971	19,862
Financial assets measured at amortized cost, current	4, 6(3), 8	103,029	171,070
Accounts receivable, net	4, 5, 6(4), 8	2,131,271	2,565,843
Inventories, net	4, 5, 6(5), 8	3,665,912	4,788,457
Prepayment	6(6)	266,278	184,476
Other current assets		686,814	607,907
Total current assets		9,818,367	10,609,052
Non-current assets			
Financial assets at fair value through other comprehensive income, non-current	4, 6(7)	32,760	27,960
Investments accounted for under the equity method	4, 6(8)	-	19,047
Property, plant and equipment	4, 6(9), 8	2,298,557	2,311,704
Right-of-use assets	4, 6(22)	2,146,445	2,328,096
Investment properties	4, 6(10)	35,761	-
Intangible assets	4, 6(11)	56,885	52,631
Goodwill	4, 5, 6(11)(12)	713,874	680,469
Deferred tax assets	4, 5, 6(26)	292,627	322,514
Deposits-out		32,277	27,282
Other non-current assets	6(13)	57,640	223,070
Total non-current assets		5,666,826	5,992,773
Total assets		\$15,485,193	\$16,601,825

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

(continued)

GLOBE UNION INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
31 December 2023 and 31 December 2022
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	As at	
		31 Dec 2023	31 Dec 2022
Current liabilities			
Short-term loans	4, 6(14)	\$2,293,648	\$1,777,167
Financial liabilities at fair value through profit or loss, current	4	844	6,102
Contract liabilities, current	6(20)	77	665
Notes payable		71,789	69,539
Accounts payable		1,549,681	1,888,505
Other payables	6(15)	1,716,835	2,069,625
Current tax liabilities	4	80,475	74,413
Lease liabilities, current	4, 6(22)	386,173	354,880
Current portion of long-term loans	4, 6(16)	200,000	330,000
Other current liabilities		71,746	50,698
Total current liabilities		6,371,268	6,621,594
Non-current liabilities			
Long-term loans	4, 6(16)	1,100,000	2,810,000
Provision for decommissioning, restoration and rehabilitation costs	4	27,742	-
Deferred tax liabilities	4, 5, 6(26)	17,518	11,838
Lease liabilities, non-current	4, 6(22)	1,933,327	2,183,928
Other non-current liabilities		112,853	266,316
Net defined benefit obligation, non-current	4, 6(17)	22,754	34,345
Total non-current liabilities		3,214,194	5,306,427
Total liabilities		9,585,462	11,928,021
Equity attributable to the parent company	4, 6(18)		
Capital			
Common stock		4,087,290	3,581,640
Advance receipts for common stock		3,259	3,100
Total capital		4,090,549	3,584,740
Capital surplus		988,391	887,844
Retained earnings			
Legal reserve		201,221	892,412
Special reserve		678,770	902,450
Unappropriated earnings (accumulated deficits)		590,529	(914,871)
Total retained earnings		1,470,520	879,991
Other components of equity			
Exchange differences on translation of foreign operations		(651,289)	(675,531)
Unrealized gains or losses on financial assets at fair value through other comprehensive income		1,560	(3,240)
Total other components of equity		(649,729)	(678,771)
Total equity		5,899,731	4,673,804
Total liabilities and equity		\$15,485,193	\$16,601,825

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

GLOBE UNION INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the Years Ended 31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

	Notes	For the Years Ended 31 December	
		2023	2022
Net sales	6(20)	\$18,313,929	\$20,211,011
Cost of sales	6(5)(23)	(12,694,083)	(15,247,819)
Gross profit		5,619,846	4,963,192
Operating expenses	6(22)(23)		
Selling and marketing		(2,268,736)	(2,035,670)
General and administrative		(2,830,739)	(3,390,531)
Research and development		(178,143)	(221,388)
Expected credit losses	6(21)	(11,172)	(12,482)
Total operating expenses		(5,288,790)	(5,660,071)
Operating income (loss)		331,056	(696,879)
Non-operating income and expenses	6(24)		
Other revenue		481,658	150,157
Other gains and losses		228,846	(136,052)
Finance costs		(226,537)	(212,716)
Share of profit or loss of associates and joint ventures	4, 6(8)	(3,073)	(1,353)
Total non-operating income and expenses		480,894	(199,964)
Income (loss) before income tax		811,950	(896,843)
Income tax (expense) income	4, 5, 6(26)	(206,849)	7,969
Income (loss) from continuing operations, net of tax		605,101	(888,874)
Other comprehensive income (loss)	6(25)		
Items that may not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit plans		(19,175)	(32,288)
Unrealized gains or losses on financial assets at fair value through other comprehensive income		4,800	(8,520)
Income tax related to items that may not to be reclassified subsequently		4,603	6,291
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		24,377	411,251
Share of other comprehensive (loss) income of associates and joint ventures	6(8)	(135)	310
Total other comprehensive income, net of tax		14,470	377,044
Total comprehensive income (loss)		\$619,571	\$(511,830)
Net income (loss) attributable to:			
Stockholders of the parent		\$605,101	\$(888,874)
Non-controlling interests		-	-
		\$605,101	\$(888,874)
Comprehensive income (loss) attributable to:			
Stockholder of the parent		\$619,571	\$(511,830)
Non-controlling interests		-	-
		\$619,571	\$(511,830)
Earnings (losses) per share (NTD)	6(27)		
Earnings (losses) per share-basic		\$1.52	\$(2.48)
Earnings (losses) per share-diluted		\$1.51	\$(2.48)

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

GLOBE UNION INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Years Ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

Item	Notes	Equity Attributable to the Parent Company								Total Equity
		Capital			Retained Earnings			Other Components of Equity		
		Common Stock	Advance Receipts for Common Stock	Additional Paid-in Capital	Legal Reserve	Special Reserve	Unappropriated Earnings (Accumulated Deficits)	Exchange Differences on Translation of Foreign Operations	Unrealized Gains or Losses on Financial Assets at Fair Value Through Other Comprehensive Income	
Balance as at 1 January 2022	6(18)	\$3,581,640	\$-	\$877,995	\$886,922	\$852,940	\$55,000	\$(1,087,092)	\$5,280	\$5,172,685
Appropriations of earnings, 2021:										
Legal reserve					5,490		(5,490)			-
Special reserve						49,510	(49,510)			-
Net loss in 2022							(888,874)			(888,874)
Other comprehensive income (loss), net of tax in 2022							(25,997)	411,561	(8,520)	377,044
Total comprehensive income (loss)							(914,871)	411,561	(8,520)	(511,830)
Share-based payment transactions-Exercise of employee stock option	6(18)(19)		3,100							3,100
Share-based payment transactions-Share-based payment expense	6(19)			9,849						9,849
Balance as at 31 December 2022	6(18)	\$3,581,640	\$3,100	\$887,844	\$892,412	\$902,450	\$(914,871)	\$(675,531)	\$(3,240)	\$4,673,804
Balance as at 1 January 2023	6(18)	\$3,581,640	\$3,100	\$887,844	\$892,412	\$902,450	\$(914,871)	\$(675,531)	\$(3,240)	\$4,673,804
Deficit compensation, 2022:										
Legal reserved used to cover deficits					(691,191)		691,191			-
Reversal of special reserve						(223,680)	223,680			-
Net income in 2023							605,101			605,101
Other comprehensive income (loss), net of tax in 2023							(14,572)	24,242	4,800	14,470
Total comprehensive income							590,529	24,242	4,800	619,571
Cash capital increase		500,000		87,500						587,500
Share-based payment transactions-Conversion of advance receipts for common stock	6(18)	5,650	(6,975)	1,325						-
Share-based payment transactions-Exercise of employee stock option	6(18)(19)		7,134							7,134
Share-based payment transactions-Share-based payment expense	6(19)			11,722						11,722
Balance as at 31 December 2023	6(18)	\$4,087,290	\$3,259	\$988,391	\$201,221	\$678,770	\$590,529	\$(651,289)	\$1,560	\$5,899,731

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

GLOBE UNION INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the year ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	Notes	For the year ended 31 December	
		2023	2022
Cash flows from operating activities:			
Net income (loss) before tax		\$811,950	\$(896,843)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation		799,269	738,028
Amortization		20,905	16,221
Expected credit losses		11,172	12,482
Net (gain) loss of financial assets/liabilities at fair value through profit or loss		(16,444)	77,640
Interest expense		226,537	212,716
Interest income		(45,728)	(58,608)
Dividend income		(1,362)	(1,920)
Share-based payment expense		11,722	9,849
Share of profit or loss of associates and joint ventures		3,073	1,353
(Gain) loss on disposal of property, plant and equipment		(98,564)	12,904
Gain on disposal of right-of-use assets		(50,404)	-
Loss (gain) on lease modification		846	(184)
Gain on disposal of investments accounted for under the equity method		(19,414)	-
Impairment loss on non-financial assets		35,219	139,296
Changes in operating assets and liabilities:			
Financial instrument at fair value through profit or loss, current		30,077	(83,927)
Accounts receivable		475,662	457,688
Inventories, net		1,188,842	(243,692)
Prepayments		(55,249)	13,734
Other current assets		(77,956)	121,154
Other non-current assets		85,271	(54,628)
Notes payable		2,250	10,751
Accounts payable		(257,172)	(326,425)
Other payables		(484,763)	470,663
Contract liabilities, current		(588)	(2,141)
Other current liabilities		1,817	3,431
Defined benefit obligation		(11,143)	(9,526)
Other non-current liabilities		(153,463)	(123,059)
Cash generated from operations		2,432,362	496,957
Interest received		45,728	58,608
Interest paid		(226,644)	(211,353)
Income tax paid		(160,617)	(116,872)
Net cash generated from operating activities		2,090,829	227,340

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

(Continued)

GLOBE UNION INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the year ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	Notes	For the year ended 31 December	
		2023	2022
(Continued)			
Cash flows from investing activities:			
Disposal of investments accounted for under the equity method		36,627	-
Acquisition of property, plant and equipment		(431,523)	(307,913)
Disposal of property, plant and equipment		117,532	24,662
Disposal of right-of-use assets		53,627	-
(Increase) decrease in deposits-out		(4,995)	6,855
Financial assets measured at amortized cost, current		68,041	(64,625)
Acquisition of intangible assets		(23,738)	(16,870)
Dividend received		1,362	1,920
Net cash used in investing activities		<u>(183,067)</u>	<u>(355,971)</u>
Cash flows from financing activities:			
Increase in short-term loans		2,968,000	4,571,996
Decrease in short-term loans		(2,466,272)	(4,953,950)
Increase in long-term loans		500,000	2,760,000
Decrease in long-term loans		(2,340,000)	(1,849,947)
Decrease in lease liabilities		(417,891)	(337,653)
Cash capital increase		587,500	-
Exercise of employee stock option		7,134	3,100
Net cash (used in) generated from financing activities		<u>(1,161,529)</u>	<u>193,546</u>
Effect of changes in exchange rate on cash and cash equivalents		<u>(53,578)</u>	<u>(74,775)</u>
Net increase (decrease) in cash and cash equivalents		692,655	(9,860)
Cash and cash equivalents at beginning of period		<u>2,271,437</u>	<u>2,281,297</u>
Cash and cash equivalents at end of period	6(1)	<u><u>\$2,964,092</u></u>	<u><u>\$2,271,437</u></u>

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

GLOBE UNION INDUSTRIAL CORP.

PARENT COMPANY ONLY FINANCIAL STATEMENTS
WITH REPORT OF INDEPENDENT ACCOUNTANTS

FOR THE YEARS ENDED
31 DECEMBER 2023 AND 2022

Notice to readers:

The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

Address: No.22, Chien-Kuo Rd., Tanzi Dist., Taichung, Taiwan, R.O.C.

Telephone: 886-4-25349676

REPORT OF INDEPENDENT ACCOUNTANTS

English Translation of a Report Originally Issued in Chinese

To Globe Union Industrial Corp.

Opinion

We have audited the accompanying parent company only balance sheets of Globe Union Industrial Corp. (the “Company”) as at 31 December 2023 and 2022, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years ended 31 December 2023 and 2022, and notes to the parent company only financial statements, including the summary of material accounting policies (together “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 the Company as of 31 December 2023 and 2022, and its parent company only financial performance and cash flows for the years ended 31 December 2023 and 2022, in conformity with the requirements of 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 the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. 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 2023 the parent company only financial statements. 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.

Impairment evaluation accounted for under equity method (Goodwill impairment test by subsidiary)

The long-term equity investment of Globe Union Industrial Corp. amounted to NT\$ 9,022,836 thousand, accounting for 86% of the total assets. The Company conducts impairment tests on the relevant cash generating units in accordance with the International Financial Reporting Standards (IFRS). The Company was unable to reliably measure the fair value. According to the results of the impairment test, the value in use of the cash generating unit was higher than its book value, so there is no investment loss estimated in this year. As the calculation of the discounted future cash flow of each cash-generating unit to support the value of the investees required significant management judgment with respect to the assumptions for cash flow forecast, we therefore considered this a key audit matter.

The auditor's audit procedures included, but are not limited to, analyzing whether component of cash-generating unit has significant changed, including analyzing its sales pattern and region; analyzing the management's method and assumptions to assess the value in use; inviting internal experts to assist in assessing the reasonableness of management's key assumptions of the growth rate, discount rate and gross margin, including referring to a company of similar size of the cash generation unit to assess the reasonableness of the key assumptions, such as the equity cost of the components of the discount rate, the Company's specific risk premium and market risk premium; interviewing management and analyzing the cash flow, gross margin rate and revenue growth rate of financial forecast, and the reasonableness of the overall market and economic forecasts; comparing the current financial predictions and the results that have achieved so far; analyzing the Company's historical data and performance to assess the rationality of its cash flow forecasts. In addition, we also considered the adequacy of the impairment test results and hypothetical sensitivity disclosures stated in Notes 4 and 6 to the financial statements.

Inventory valuation

The net inventory of the Company (including inventories of the investees accounted for under the equity method) amounted to \$3,665,912 thousand, accounting for 24% of the total consolidated assets. Due to the uncertainty arising out of product diversification, the allowance for inventory valuation loss and slowing-moving or obsolete inventory required significant management judgement and calculation of inventory cost, including direct labor, direct raw material and allocation of manufacturing cost was complex whose allocation basis had material impact on the financial statements, we therefore considered this key audit matter.

The audit procedures included, but are not limited to, understanding and testing the design and operating effectiveness of internal control over inventory cost and allowance for inventory; performing inventory price testing to verify the allocation of cost, direct labor, and overhead is reasonable; assessing the appropriateness of the policy of provision for excess and obsolete inventory by testing the accuracy of inventory ageing and analyzing movement of the ageing, analyzing the difference between the policy of the current year and the prior year, and analyzing the difference between the historical provisions and the actual write-off amount; verifying that inventories were valued at the lower of cost or net realizable value by comparing the book value of inventories at the balance sheet date with recent sales price on selected samples; verifying the existence and completeness of inventories by tracing items on the final inventory listing to the physical inventory compilation; attending inventory counts to understand the status of the inventories and evaluate the appropriateness of the allowance for damaged or obsolete inventory valuation loss. We also assessed the adequacy of the disclosures related to inventories in Notes 4, 5 and 6 to the financial statements.

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

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China and for such internal control as management determines is necessary to enable the preparation of the parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the ability to continue as a going concern of the Company, 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 audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company.

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 auditor's 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 the 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 professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
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 ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's 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 accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiaries to express an opinion on the parent company only 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 2023 the parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditor's 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.

Tu, Ching Yuan
Lo, Wen Chen

Ernst & Young, Taiwan
11 March 2024

Notice to Readers

The accompanying parent company only financial statements are intended only to present the parent company only financial position, results of operations 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 parent company only financial statements are those generally accepted and applied in the Republic of China.

GLOBE UNION INDUSTRIAL CORP.
PARENT COMPANY ONLY BALANCE SHEETS
31 December 2023 and 31 December 2022
(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As at	
		31 Dec 2023	31 Dec 2022
Current assets			
Cash and cash equivalents	4, 6(1)	\$127,836	\$195,936
Financial assets at fair value through profit or loss, current	4, 6(2)	971	19,594
Accounts receivable, net	4, 5, 6(3)	218,992	297,844
Accounts receivable, net- related parties	4, 6(3), 7	383,781	1,376,890
Other receivables	7	242,771	316,030
Inventories, net	4, 5, 6(4)	253,217	285,725
Prepayment		46,850	33,471
Other current assets		12,288	10,276
Total current assets		1,286,706	2,535,766
Non-current assets			
Financial assets at fair value through other comprehensive income, non-current	4, 6(5)	32,760	27,960
Investments accounted for under the equity method	4, 6(6)	9,022,836	8,654,909
Property, plant and equipment	4, 6(7)	72,918	69,901
Right-of-use assets	4, 6(16)	7,092	1,232
Intangible assets	4	8,170	2,621
Deferred tax assets	4, 6(20)	75,567	33,928
Other non-current assets		2,883	3,518
Total non-current assets		9,222,226	8,794,069
Total assets		\$10,508,932	\$11,329,835

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

GLOBE UNION INDUSTRIAL CORP.
PARENT COMPANY ONLY BALANCE SHEETS
31 December 2023 and 31 December 2022
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	As at	
		31 Dec 2023	31 Dec 2022
Current liabilities			
Short-term loans	4, 6(8)	\$2,158,000	\$1,442,290
Financial liabilities at fair value through profit or loss, current	4	-	774
Contract liabilities, current	4, 6(14)	-	269
Accounts payable		34,398	47,561
Accounts payable- related parties	7	608,528	1,589,452
Other payables	7	10,020	145,281
Accrued expenses	6(9), 7	417,637	190,858
Current tax liabilities	4, 6(20)	51,058	72,439
Lease liabilities, current	4, 6(16)	958	887
Current portion of long-term loans	4, 6(10)	200,000	330,000
Other current liabilities		5,752	4,863
Total current liabilities		<u>3,486,351</u>	<u>3,824,674</u>
Non-current liabilities			
Long-term loans	4, 6(10)	1,100,000	2,810,000
Deferred tax liabilities	4, 6(20)	9,153	13,126
Lease liabilities, non-current	4, 6(16)	6,134	322
Net defined benefit obligation, non-current	4, 6(11)	7,563	7,909
Total non-current liabilities		<u>1,122,850</u>	<u>2,831,357</u>
Total liabilities		<u>4,609,201</u>	<u>6,656,031</u>
Equity attributable to the parent company	4, 6(12)		
Capital			
Common stock		4,087,290	3,581,640
Advance receipts for common stock		3,259	3,100
Total capital		<u>4,090,549</u>	<u>3,584,740</u>
Capital surplus		988,391	887,844
Retained earnings			
Legal reserve		201,221	892,412
Special reserve		678,770	902,450
Unappropriated earnings (accumulated deficits)		590,529	(914,871)
Total retained earnings		<u>1,470,520</u>	<u>879,991</u>
Other components of equity			
Exchange differences on translation of foreign operations		(651,289)	(675,531)
Unrealized gains or losses on financial assets at fair value through other comprehensive income		1,560	(3,240)
Total other components of equity		<u>(649,729)</u>	<u>(678,771)</u>
Total equity		<u>5,899,731</u>	<u>4,673,804</u>
Total liabilities and equity		<u>\$10,508,932</u>	<u>\$11,329,835</u>

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

GLOBE UNION INDUSTRIAL CORP.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

	Notes	For the Years Ended 31 December	
		2023	2022
Net sales	4, 6(14), 7	\$6,910,540	\$10,006,765
Cost of sales	6(4), 7	(6,207,745)	(9,252,811)
Gross profit		702,795	753,954
Unrealized intercompany profit		(450,691)	(365,272)
Realized intercompany profit		365,272	256,437
Gross profit-net		617,376	645,119
Operating expenses	6(17), 7		
Selling and marketing		(399,544)	(235,409)
General and administrative		(282,970)	(268,570)
Research and development		(61,226)	(61,625)
Total operating expenses		(743,740)	(565,604)
Operating (loss) income		(126,364)	79,515
Non-operating income and expenses	6(18)		
Other revenue		203,960	14,719
Other gains and losses		71,403	(23,564)
Finance costs		(76,599)	(65,697)
Share of profit or loss of subsidiaries, associates and joint ventures	4, 6(7)	518,346	(844,118)
Total non-operating income and expenses		717,110	(918,660)
Income (loss) from continuing operations before income tax		590,746	(839,145)
Income tax income (expense)	6(20)	14,355	(49,729)
Income (loss) from continuing operations, net of tax		605,101	(888,874)
Other comprehensive income (loss)	6(6)(11)(19)		
Items that may not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit plans		(2,934)	6,854
Unrealized gains or losses on financial assets at fair value through other comprehensive income		4,800	(8,520)
Share of other comprehensive loss of subsidiaries-remeasurements of defined benefit plans		(12,225)	(31,480)
Income tax related to items that may not to be reclassified subsequently		587	(1,371)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		24,242	411,561
Total other comprehensive income, net of tax		14,470	377,044
Total comprehensive income (loss)		\$619,571	\$(511,830)
Earnings (losses) per share (NTD)	6(21)		
Earnings (losses) per share-basic		\$1.52	\$(2.48)
Earnings (losses) per share-diluted		\$1.51	\$(2.48)

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

GLOBE UNION INDUSTRIAL CORP.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
For the Years Ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

Item	Notes	Capital		Additional Paid-in Capital	Retained Earnings			Other components of equity		Total
		Common Stock	Advance Receipts for Common Stock		Legal Reserve	Special Reserve	Unappropriated Earnings (Accumulated Deficits)	Exchange Differences on Translation of Foreign Operations	Unrealized Gains or Losses on Financial Assets at Fair Value Through Other Comprehensive Income	
Balance as at 1 January 2022	6(12)	\$3,581,640	\$ -	\$877,995	\$886,922	\$852,940	\$55,000	\$(1,087,092)	\$5,280	\$5,172,685
Appropriations of earnings, 2021:										
Legal reserve					5,490		(5,490)			-
Special reserve						49,510	(49,510)			-
Net loss in 2022							(888,874)			(888,874)
Other comprehensive income (loss), net of tax in 2022							(25,997)	411,561	(8,520)	377,044
Total comprehensive income (loss)							(914,871)	411,561	(8,520)	(511,830)
Share-based payment transactions-Exercise of employee stock option	6(12)(13)		3,100							3,100
Share-based payment transactions-Share-based payment expense	6(13)			9,849						9,849
Balance as at 31 December 2022	6(12)	\$3,581,640	\$3,100	\$887,844	\$892,412	\$902,450	\$(914,871)	\$(675,531)	\$(3,240)	\$4,673,804
Balance as at 1 January 2023	6(12)	\$3,581,640	\$3,100	\$887,844	\$892,412	\$902,450	\$(914,871)	\$(675,531)	\$(3,240)	\$4,673,804
Deficit compensation, 2022:										
Legal reserved used to cover deficits					(691,191)		691,191			-
Reversal of special reserve						(223,680)	223,680			-
Net income in 2023							605,101			605,101
Other comprehensive income (loss), net of tax in 2023							(14,572)	24,242	4,800	14,470
Total comprehensive income							590,529	24,242	4,800	619,571
Cash capital increase		500,000		87,500						587,500
Share-based payment transactions-Conversion of advance receipts for common stock	6(12)	5,650	(6,975)	1,325						-
Share-based payment transactions-Exercise of employee stock option	6(12)(13)		7,134							7,134
Share-based payment transactions-Share-based payment expense	6(13)			11,722						11,722
Balance as at 31 December 2023	6(12)	\$4,087,290	\$3,259	\$988,391	\$201,221	\$678,770	\$590,529	\$(651,289)	\$1,560	\$5,899,731

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

GLOBE UNION INDUSTRIAL CORP.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
For the Years Ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	For the Years Ended 31 December		
	Notes	2023	2022
Cash flows from operating activities:			
Net income (loss) before tax		\$590,746	\$(839,145)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation		13,465	12,656
Amortization		1,212	1,107
Net (gain) loss of financial assets/liabilities at fair value through profit or loss		(11,878)	79,097
Interest expense		76,599	65,697
Interest income		(25,427)	(5,251)
Dividends income		(1,362)	(1,920)
Share-based payment expense		8,970	4,147
Share of profit or loss of subsidiaries, associates and joint ventures		(518,346)	844,118
Gain on disposal of property, plant and equipment		-	(343)
Unrealized intercompany profit		450,691	365,272
Realized intercompany profit		(365,272)	(256,437)
Changes in operating assets and liabilities:			
Financial instrument at fair value through profit or loss, current		29,727	(89,513)
Accounts receivable		1,071,961	(161,245)
Other receivables		73,259	156,017
Inventories, net		32,508	241,017
Prepayments		(13,379)	24,035
Other current assets		(2,012)	352
Other non-current assets		1,162	(2,090)
Accounts payable		(994,087)	(1,018,920)
Other payables		(135,261)	41,598
Accrued expenses		227,445	(72,743)
Contract liabilities, current		(269)	(2,528)
Other current liabilities		889	(602)
Defined benefit obligation		(3,280)	252
Other non-current liabilities		-	(128)
Cash generated from (used in) operations		<u>508,061</u>	<u>(615,500)</u>
Interest received		25,427	5,251
Interest paid		(77,265)	(64,334)
Income tax paid		(52,051)	(26,138)
Net cash generated from (used in) operating activities		<u>404,172</u>	<u>(700,721)</u>

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

(Continued)

GLOBE UNION INDUSTRIAL CORP.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
For the Years Ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	For the Years Ended 31 December	
	2023	2022
(Continued)		
Cash flows from investing activities:		
Acquisition of property, plant and equipment	(15,448)	(10,710)
Disposal of property, plant and equipment	-	343
Acquisition of intangible assets	(6,761)	(1,614)
Acquisition of investments accounted for under the equity method	(35,312)	(231,026)
Increase in deposits-out	(527)	(13)
Dividends received	116,443	640,672
Net cash generated from investing activities	<u>58,395</u>	<u>397,652</u>
Cash flows from financing activities:		
Increase in short-term loans	2,968,000	4,457,471
Decrease in short-term loans	(2,252,290)	(4,953,950)
Increase in long-term loans	500,000	2,760,000
Decrease in long-term loans	(2,340,000)	(1,840,000)
Decrease in lease liabilities	(1,011)	(2,309)
Cash capital increase	587,500	-
Exercise of employee stock option	7,134	3,100
Net cash (used in) generated from financing activities	<u>(530,667)</u>	<u>424,312</u>
Net (decrease) increase in cash and cash equivalents	(68,100)	121,243
Cash and cash equivalents at beginning of period	195,936	74,693
Cash and cash equivalents at end of period	6(1) <u>\$127,836</u>	<u>\$195,936</u>

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

Attachment 4

Globe Union Industrial Corp.
Profit Distribution Table
Year 2023

Items	Unit NTD Total
Beginning retained earnings	-
Less: Other comprehensive income- remeasurements of defined benefit plans	(14,572,300)
Plus: 2023 Net profit after tax	605,100,606
Subtotal	590,528,306
Less: 10% legal reserve	(59,052,831)
Plus: Special reserve	29,041,268
Distributable net profit of December 31 st ,2023	560,516,743
Items for distribution:	
Cash Dividends (NTD 1.2 per share)(Note 1)	(491,356,754)
Unappropriated retained earnings	69,159,989

Note 1. Cash dividends distributed to the shareholders are based on issued and outstanding 409,463,962 shares.

Chairman :
Shane Ouyang

Executive :
Shane Ouyang

Accounting Manager :
Ying-Fan Chen

Appendix 1

Globe Union Industrial Corp.

Rules of Procedure for Shareholders' Meetings

- Article 1: Unless otherwise provided by laws and regulations, the General Shareholders' Meeting of the Company shall be conducted in accordance with these Rules.
- Article 2: The Company shall set up an attendance log for attending shareholders to sign; attendance cards may be submitted by attending shareholders in lieu of signing the attendance log. The number of attending shares shall be calculated based on the attendees recorded in the attendance log and the number of attendance cards submitted, to which is added the number of shares where voting rights are exercised in writing or electronically.
- Article 3: Attendance and voting of the General Shareholders' Meeting shall be determined by the number of shares represented at the meeting.
- Article 4: General Shareholders' Meeting shall be held at locations that are suitable and convenient for shareholders' attendance. Meetings shall not begin earlier than 9 AM or later than 3 PM.
- Article 5: General Shareholders' Meetings convened by the Chairman shall be chaired by the Chairman. If the Chairman is unable to perform such duties due to leave of absence or any other reason, the Vice Chairman shall act in this capacity on the Chairman's behalf. If the Vice Chairman is also unavailable or is non-existent, the Chairman may appoint one of the directors to act on the Chairman's behalf. If the Chairman does not appoint a delegate, one shall be elected among the directors to act on the Chairman's behalf.
- Where the Chair is represented by a director as described in the preceding paragraph, that director must have served as director for six months or more and must possess an understanding of the Company's financial and business status. The same applies where the Chair is the representative of an institutional director.
- If the General Shareholders' Meeting is convened by an entity that has the right to convene other than the Board of Directors, that convener shall be the chair. If there are two or more conveners, the Chair shall be elected among them.
- Article 6: The Company may appoint lawyers, certified public accountants, or certain personnel to attend the General Shareholders' Meeting.
- The meeting personnel handling the General Shareholders' Meeting shall bear identification cards or armbands.
- Article 7: The Company shall record in audio or video format the entire course of the General Shareholders' Meeting, beginning when the shareholders declare their attendance, and shall keep the audio or video records on file for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the audio or video records shall be

retained until the conclusion of the litigation.

Article 8: The chair calls the meeting to order when attendance is more than half of the total issued shares. If the meeting time has passed and attendance is less than the statutory amount, the Chair may postpone the meeting up to two times, for a period totaling no more than one hour. If after two postponements the number of shareholders present is still insufficient while representing at least one third of the total issued shares, “a tentative resolution may be passed by a majority of those present,” as stated in Article 175 of the Company Act. Where a tentative resolution is passed as described in the preceding paragraph, if the number of shares represented by the shareholders present has reached the statutory amount, the Chair may immediately declare a formal meeting and request acknowledgment of the tentative resolution.

Article 9: The agenda of General Shareholders' Meetings convened by the Board of Directors shall be set by the Board of Directors. All relevant proposals (including extraordinary motions and amendments to the contents of the original proposals) shall be voted on case-by-case. The meeting shall be conducted in accordance with its agenda, which may not be changed unless resolved during the General Shareholders' Meeting. The above rule also applies mutatis mutandis if the General Shareholders' Meeting is convened by an entity that has the right to convene other than the Board of Directors. In either of the two arrangements described above, the Chair may not dismiss the meeting while an agenda item “including extraordinary motions” is still in progress. If the Chair violates meeting policy by dismissing the meeting when it is not allowed to do so, attending shareholders may elect another Chair with the support of more than half of voting rights represented and continue the meeting. After the meeting if adjourned, shareholders may not elect a Chair to resume the meeting at the original location or at any other premises, except where the circumstances mentioned in the preceding paragraph apply. The Chair must allow adequate opportunity to explain and discuss the various proposals, amendments, or extraordinary motions proposed during the meeting. The Chair may announce to discontinue further discussion and proceed with voting if the issue in question is considered to have been sufficiently discussed; the Chair shall also provide sufficient time for voting.

Article 10: While the General Shareholders' Meeting is in session, the Chair may at his/her discretion allocate and announce time for breaks.

Article 11: Shareholders who wish to speak during the meeting must produce statement slips detailing the topics and the shareholders' account numbers “or the attendance pass numbers.” The order of shareholders' comments shall be determined by the Chair. Shareholders who submit statement slips without actually making statements are considered to have remained silent. If the shareholder's actual statement differs from that recorded on the statement slip, only the actual comments expressed shall be recorded.

While a shareholder is speaking, other shareholders may not speak or interfere in any way, unless agreed to by the Chair and the speaking

shareholder. Violators shall be restrained by the Chair.

- Article 12: Proposals shall be discussed in the order in which they are listed on the agenda. If there is a violation of such procedure or the topics of proposals are exceeded, the Chair may stop the speaker from speaking.
- Article 13: Each shareholder's statement may not exceed five minutes. However, an extension of three minutes may be granted with the permission of the chair; the chair may stop the speaker when the time expires.
- Article 14: Each person may not speak more than twice on the same proposal.
- Article 15: An institutional shareholder may assign only one proxy representative to attend the General Shareholders' Meeting on its behalf. Where an institutional shareholder has appointed two or more representatives to attend the General Shareholders' Meeting, only one representative may speak per proposal.
- Article 16: When discussing a proposal, the Chair may announce the end of discussion at an appropriate time and may also announce suspension of the discussion when necessary, and the Chair may then immediately open the proposal to voting.
- Article 17: Proposals are passed when supported by shareholders who represent more than half of the total voting rights in the meeting, except for the specific proposals otherwise provided for in the Company Act. Voting proceeds on a case-by-case basis, and the Chair or its delegate shall announce the total number of voting rights represented in the meeting for every proposal discussed. Pursuant to Article 177 of the Company Act, where shareholders entrust their proxies to attend the General Shareholders' Meeting, "when a person who acts as the proxy for two or more shareholders, the number of voting power represented by him/her shall not exceed 3% of the total number of voting shares of the company; otherwise, the portion of excessive voting power shall not be counted." Voting rights are exercised electronically or in writing by shareholders in a General Shareholders' Meeting. The method of exercising voting rights is specified in the notice of the General Shareholders' Meeting. Shareholders who exercise voting rights in writing or electronically are deemed to have attended the General Shareholders' Meeting in person. However, such shareholders are considered to have waived their rights to participate in any extraordinary motions or amendments to the contents of the original proposals that may arise during the General Shareholders' Meeting. The resolution results of proposals shall be recorded in the meeting minutes.

Article 17-1: (Shareholders' Proposals)

A proposal or amendment, or replacement to the original proposal raised by a shareholder shall be made in writing by a shareholder with voting rights.

When there are amendments or alternative motions, the Chair shall determine the order of voting with the original proposal. If one of the proposals has been passed, the other proposals are deemed to be

rejected and no further voting is required.

Where a shareholder's written proposal made in accordance with Article 172 of the Company Act is included in the General Shareholders' Meeting, if the proposal is of the same type as the proposal raised by the Board of Directors, the proposal shall be handled in conjunction with the preceding paragraph applied mutatis mutandis.

The order of discussion and voting for shareholders' proposals in extraordinary motions shall be determined by the Chair.

Article 18: The monitors and counters for voting on proposals shall be designated by the Chair; however, monitors must be shareholders. The results of voting shall be reported on the spot and recorded.

Article 18-1: (Handling of Proposals before General Shareholders' Meetings)

Shareholders who hold 1% or more of the total number of issued shares may submit a proposal to the Company's General Shareholders' Meeting. Only one proposal may be accepted. All other proposals will not be included in the agenda.

The Company shall announce the acceptance of shareholders' proposals, written or electronic acceptance methods, acceptance locations, and acceptance period before the book closure date and before the General Shareholders' Meeting. The acceptance period may not be shorter than ten days.

A shareholder proposal for urging the corporation to promote public interests or fulfill its social responsibilities shall, in accordance of Article 172-1 of the Company Act, is limited to one only, and no proposal containing more than one item will be included in the meeting agenda.

If a shareholder's proposal is without any of the following circumstances per review by the Board of Directors, it shall be included in the notice of the General Shareholders' Meeting:

Such a proposal is not for resolution by the General Shareholders' Meeting.

The shareholder making the proposal holds less than 1% of the total number of issued shares at the book closure date for the current General Shareholders' Meeting.

The proposal was proposed outside of the announced acceptance period as described in the preceding paragraph.

The shareholder making the proposal has proposed more than one proposal, or the proposal contains more than 300 words (including punctuation marks).

The Company shall notify the shareholder making the proposal of the resolution results before the date the notice for the General Shareholders' Meeting is sent. The Board of Directors shall record the reasons for not including proposals in the meeting manual of the

General Shareholders' Meeting, and such proposals shall not be included in the agenda or in the meeting minutes.

Article 19: Matters not stipulated in the Rules shall be handled in accordance with the Company Act, relevant laws and regulations, and the Company's Articles of Association.

Article 20: The Rules were drafted by the Company's Board of Directors and were put into force by the General Shareholders' Meeting. The same shall apply to subsequent changes.

Appendix 2

Globe Union Industrial Corp. Articles of Association

Chapter I General Provisions

Article 1: The Company has been incorporated in accordance with the provisions of the Company Act, and it is named Globe Union Industrial Corp. The Company's English name is Globe Union Industrial Corp.

Article 2: The Company's principal business operations are listed below:

- I. Faucets and faucet accessories, bathroom fixtures and accessories, the manufacture/machining, sale, and distribution of machine components.
- II. Import/export of related products.
- III. Act as an agent for local/overseas suppliers to submit price quotations for tenders, as well as performing other commissioned operations involving related products.
- IV. General import/export business operations. (Except for business operations requiring approval)
- V. C805030 Manufacturing of everyday products made of plastic.
- VI. C805050 Manufacturing of industrial plastic products.
- VII. CA01990 Other basic manufacturing of non-ferrous metals: The manufacturing, forging, extrusion, rolling, and wire drawing of ingots, blocks, and strips to create basic parts, such as sheets, sticks, wires, rings, and tubes.
- VIII. CA02020 Manufacturing of copper and aluminum products.
- IX. CA02050 Manufacturing of valves.
- X. CA02070 Manufacturing of locks.
- XI. CQ01010 Manufacturing of dies.
- XII. ZZ99999 Apart from the approved business items, the Company is also allowed to operate other business not prohibited or restricted by law.

Article 3: The Company must provide external guarantees.

Article 4: Where necessary, the Company may invest in other businesses and become a shareholder of limited responsibilities of another company once a resolution has been passed by the board of directors. In this case, the Company is exempt from the restriction prescribed in Article 13 of the Company Act, where the total invested amount should not exceed 40% of the Company's paid-in capital, and the board of directors has the authorization to execute such matters.

Article 5: The Company is headquartered in Taichung City and may establish domestic or foreign branches upon the approval of the board of directors.

Article 6: Official announcements made by the Company shall be published in accordance with Article 28 of the Company Act.

Chapter II Shares

Article 7: The Company has a paid-in capital of NT\$6 billion, which is divided into 600 million shares with each share valued at NT\$10. Shares are issued in installments, and the board of directors has the authority to issue undistributed shares in installments. An amount of NT\$600 million is reserved for the shares described above. A total of 60 million shares are available for the issuance of stock options and subscription shares of preferred shares with warrants. The face value of each share is NT\$10, which the board of directors is authorized to issue in installments.

Article 7-1: If employee stock options are distributed by the Company at a price lower than the market price (net value per share), regulations specified under Article 56-1 and Article 76 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be followed, and shares shall be distributed after a resolution has been passed at the general shareholders' meeting.

Sales of shares to employees at prices below the Company's average purchase price shall follow Article 10-1 and Article 13 of the Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies, which can be processed after a resolution has been passed at the general shareholders' meeting.

Article 7-2: The Company may transfer the bought back Treasury Shares in compliance with the Company Act to employees of the parents or subsidiaries of the Company meeting certain specific requirement. The Company may issue Employee Stock Options to employees of the parents or subsidiaries of the Company meeting certain specific requirements.

The Company may issue new stock, and reserve subscription for employees of the parents or subsidiaries of the Company meeting certain specific requirements.

The Company may issue Restricted stock for employees of parents or subsidiaries of the Company, if meeting certain specific requirements.

Article 8: Stocks issued by the Company are not required to be printed. The Company, however, should contact the securities depository and custodian institution for the safe-keeping and registration of the share certificates.

Article 9: The Company shall administer all services in accordance with relevant regulations and the "Regulations Governing the Administration of Shareholder Services of Public Companies" established by the competent authority.

Article 10: The entry of Shareholder roster shall be suspended 60 days prior to an annual general shareholders' meeting, 30 days prior to an extraordinary shareholders' meeting, and 5 days prior to the baseline date of any dividend, bonus, or rights distribution.

Chapter III General Shareholders' Meeting

Article 11: Shareholders' meetings can be divided into regular and special (extraordinary) meetings. Regular shareholders' meetings are convened at least once per year. It shall be convened by the board of directors within six months after the closing of each fiscal year. Extraordinary shareholders' meetings shall be held in accordance with the relevant statutory requirements whenever necessary. A shareholders' meeting shall, unless otherwise specified within the Company Act, be convened by the board of directors.

The Shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority. In case a shareholders' meeting is proceeded via visual communication network, then the shareholders taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

The above two provisions are subject to the provisions separately prescribed by the competent authority in charge of securities affairs, such provisions shall prevail.

Article 12: If a shareholder is unable to attend the shareholders' meeting in person, a proxy may be appointed by presenting a properly signed or sealed proxy form printed in the Company's prescribed format, while specifying the scope of delegated authority.

Once the proxy form has been delivered to the Company, shareholders who wish to attend the general shareholders' meeting in person, or by using printed or digital documents to exercise his/her voting rights, shall submit a notice to the Company 2 days before the general shareholders' meeting to cancel the proxy form. For those who did not submit a cancellation notice on time, his/her voting rights shall be exercised by the proxy.

Article 13: During a general shareholders' meeting, unless otherwise specified within the Company Act, the meeting shall be chaired by the company chairman. If he/she is absent or unable to perform such duties, a person shall be selected in accordance with Article 208 of the Company Act to act on his/her behalf. For a shareholders' meeting convened by an individual who is not a board member and has the convening right, he/she shall act as the chairman of that meeting; however, if there are two or more individuals with the convening right, the chairman of the meeting shall be elected from among themselves.

Article 14: Unless otherwise prescribed by law, each shareholder shall have one vote for each share in his/her possession.

Article 15: Unless otherwise regulated by the Company Act, a shareholders' meeting resolution is passed when more than 50% of all outstanding shares are represented in the meeting and voted in favor by more than 50% of all voting rights represented at the meeting.

Article 16: Resolutions passed during the general shareholders' meetings shall be documented, along with the meeting time, venue, key points of discussion and the final result, name of the chair, the voting method, and the number of shares represented by proxies. The form must be signed or stamped by the chair, then distributed to each shareholder as a meeting minutes report within 20 days after the date of the meeting.

Chapter IV Directors and Supervisors

Article 17: The Company shall have a Board of Directors consisting of 7 to 9 directors. The candidate nomination system is adopted, where individuals are selected from a list of candidates during a general shareholders' meeting. Each individual's term of service is three years and may be eligible for re-election. When an election cannot be held in time when the current term expires, the individual may remain in office until a newly elected director assumes the office. The total number of the Company's registered stocks held by its directors shall comply with the relevant regulations established by the competent authority. In accordance of law, the Company's Audit committee shall be composed of the entire number of independent directors. The Exercise of Powers of the Audit Committees and its members shall be regulated in accordance with Securities and Exchange Act and related law and regulations.

Article 17-1: In conjunction with Article 14-2 of the Securities and Exchange Act, the number of independent directors shall not be less than three among the Company's directors. The candidate nomination system is adopted, where individuals are selected from a list of independent director candidates during a general shareholders' meeting. The election of independent directors and the election of non-independent directors shall be conducted at the same time, and the number of winners calculated separately. The guidelines for qualifications, shareholdings, restrictions on concurrent posts, nomination, election and any other matters to be complied with by the independent directors shall be prescribed by the competent securities authority.

Article 18: When the number of directors falls below five due to the dismissal of a director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders' meeting. When the number of vacancies in the board of directors equals one third of the total number of members a special shareholders' meeting shall be convened by the board of directors within 60 days to fill the vacancies; each successor elected shall only serve the remaining term of the previous board member/supervisor. When the number of independent directors falls below 3 directors, a by-election shall be held at the next shareholders' meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders' meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

Article 19: The board of directors shall appoint one chairperson of the board during a board meeting with more than two-thirds of directors present, and with the

approval of more than half of all attending directors. The chairperson shall represent the Company externally. If s/he is absent or unable to perform his/her duties, a person shall be selected in accordance with Article 208 of the Company Act to act on his/her behalf.

Article 20: When a meeting of the board of directors is called by the chairperson of the board, the meeting shall be chaired by the chairperson. However, where the first meeting of each newly elected board of directors is called by the director who received votes representing the largest portion of voting rights at the shareholders' meeting in which the directors were elected, the meeting shall be chaired by that director; if there are two or more directors so entitled to call the meeting, they shall choose one person by and from among themselves to chair the meeting.

Where a meeting of the board of directors is called by majority of directors on their own initiative in accordance with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act, the directors shall choose one person by and from among themselves to chair the meeting.

Board of directors' meetings shall be announced to all directors seven days in advance, with the reasons for the meeting clearly stated. Board meetings may be convened at any time during an emergency event.

To convene a board meeting described above, letters, faxes, and emails can be used.

Article 21: The power and authority of the Board of Directors are as follows:

- I. Establish a business direction.
- II. Propose earnings distribution or loss reimbursement plans.
- III. Proposal of capital increase and reduction plans.
- IV. Verify and authorize important regulations and contracts.
- V. Appoint/dismiss the Company's president and vice president.
- VI. Review and authorize the budget and year-end account closures.
- VII. Approve the procurement and disposal of important assets and real estate.
- VIII. Approve investments in other businesses.
- IX. Make decisions on other material issues.

Article 22: Unless otherwise prescribed in the company policies, resolutions of the board of directors shall be adopted by a majority vote at a meeting attended by more than half of the directors. If a director is unable to attend the meeting, he/she may delegate another director as his/her representative by issuing a proxy form, specifying clearly the scope of the authorization. A director can only represent one other director. When a meeting of the Board of Directors is conducted in the form of a video conference meeting, the directors taking part via video conferencing shall be deemed to have attended the meeting in person.

Article 23: Regardless the Company made a profit or suffered a loss, directors of the Company shall receive their monthly remuneration and travel allowances accordingly. In addition, remuneration shall be distributed according to the Company's profits. The authorization of payment standards shall be established by the board of directors. Relevant remuneration distribution

methods shall follow the general standards adopted by the industry. Furthermore, the Company shall purchase liability insurance for directors, which will protect directors from legal actions taken against them by shareholders or other related parties while executing their duties according to the law.

Article 23-3: The Company has authorized its board of directors to form various types of functional committees for mergers and acquisitions, making nominations, risk management, or other purposes. In addition, each functional committee's organizational regulations shall be established by the board of directors.

Chapter 5 Managers

Article 24: The Company may appoint one president and several vice presidents, whose appointment, dismissal, and remuneration shall comply with Article 29 of the Company Act.

Chapter VI Accounting

Article 25: The Company's board of directors is responsible for preparing the statements and reports at the end of each fiscal year in accordance of Article 228 of Company Act, which shall be submitted to the general shareholders' meeting for final acceptance:

Article 25-1: If the Company was profitable during the year, at least 2% of the profit shall be allocated as employee remuneration first, and no more than 2% can be allocated as remuneration for directors. However, an amount shall be set aside in advance to compensate for cumulative losses, if any. Employee remuneration can be paid in shares or cash to qualified employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements.

Article 26: If the general final accounts for the year produce a surplus, in addition to the payment of income tax as required by law, priority should be given to make up for the losses suffered during previous years, followed by a 10% allocation as the statutory surplus reserve. However, if the statutory surplus reserve has reached the amount of the Company's total capital, such allocation is no longer necessary. Next, as prescribed by the competent authority, after the allocation or rollover into special surplus reserve, undistributed earnings accumulated from the previous year are then available for the distribution of earnings. An earnings distribution plan shall be drafted by the board of directors and submitted to the general shareholders' meeting for approval. The surplus earning distributed in form of cash, it shall be approved by the meeting the board of directors and report to the Shareholder meeting in accordance with the Article 228 - 1 and Article 240 item 5. In Consideration and factor in of Company's Financial, business, operational aspects, the Company may distribute it capital reserve or legal reserve in whole or in part according to the regulation or legal authority. If distribute in form of cash, the Company

shall authorize the board of directors in accordance with Article 241 of the company Act., and report to the Shareholder meeting.

The Company's dividend policy must be based on the current and future development plans, and take the investment environment, funding requirements, and domestic/international competitions into consideration. In addition, shareholders' interests and other factors must be taken into account, so that shareholders' dividends of no less than 30% of the earnings can be distributed each year.

Our Company strives to maintain a stable and sustainable dividend policy while ensuring that our capital spending, business expansion requirements and sound financial planning will guarantee our sustainable development. The cash dividend must not be less than 60% of the total shareholder dividend distributed for that year. The dividend distribution policy described above must take the Company's business requirements, reinvestment or M&A funding requirements, as well as the revision of key legislations into consideration. The percentage of cash dividend distributed shall be adjusted accordingly by the general shareholders' meeting upon the request of the board of directors.

Article 27: When the statutory surplus reserve has reached the amount of the Company's total capital, statutory reserve allocation is no longer necessary as specified in the previous Article.

Chapter VII Addendum

Article 28: Any matters that are not addressed in the Articles of Association shall be governed by the Company Act and other relevant regulations.

Article 29: The organizational policies and enforcement rules of the Company shall be established separately by the board of directors.

Article 30: The Articles of Association was established on September 26, 1979.

The 1st amendment was made on October 15, 1979.

The 2nd amendment was made on August 20, 1980.

The 3rd amendment was made on April 28, 1981.

The 4th amendment was made on July 24, 1982.

The 5th amendment was made on August 26, 1985.

The 6th amendment was made on August 24, 1987.

The 7th amendment was made on October 24, 1994.

The 8th amendment was made on August 28, 1995.

The 9th amendment was made on November 4, 1995.

The 10th amendment was made on April 25, 1996.

The 11th amendment was made on October 1, 1996.

The 12th amendment was made on April 19, 1997.

The 13th amendment was made on December 7, 1997.

The 14th amendment was made on May 15, 1998.

The 15th amendment was made on April 27, 1999.

The 16th amendment was made on May 23, 2000.

The 17th amendment was made on June 18, 2001.

The 18th amendment was made on June 28, 2002.

The 19th amendment was made on June 24, 2003.
The 20th amendment was made on October 30, 2003.
The 21st amendment was made on June 24, 2004.
The 22nd amendment was made on June 15, 2005.
The 23rd amendment was made on June 15, 2006.
The 24th amendment was made on June 15, 2007.
The 25th amendment was made on June 13, 2011.
The 26th amendment was made on June 27, 2012.
The 27th amendment was made on June 27, 2014.
The 28th amendment was made on June 26, 2015.
The 29th amendment was made on June 24, 2016.
The 30th amendment was made on May 26, 2017.
The 31st amendment was made on May 25, 2018.
The 32nd amendment was made on May 29, 2020
The 33rd amendment was made on August 2, 2021
The 34th amendment will made on May 26, 2023.

Appendix 3

Globe Union Industrial Corp. Director Election Rules

- Article 1: The election of the Company's directors shall be conducted in accordance with the provisions of these Rules.
- Article 2: Directors shall be elected using the cumulative voting method. Electors' attendance pass numbers may be printed on ballots in lieu of the names of those electors. Each share has voting rights equal to the number of directors to be elected, and votes may be cast for a single candidate or split among multiple candidates.
- Article 3: The number of directors to be elected shall be in accordance with the number of director positions stipulated in the Company's Articles of Association. The voting rights shall be calculated separately for independent directors and non-independent directors' position. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. In situations where there are two or more candidates with the same number of votes but who exceed the number of positions to accommodate them, they shall draw lots to determine the winner, with the Chair drawing lots on behalf of any person not in attendance.
- Shareholders may exercise their voting rights in writing or electronically; exercise voting rights in writing or electronically; The method of exercising voting rights is specified in the notice of the General Shareholders' Meeting.
- Article 3-1: Directors of the Company shall adopt a nomination system in accordance with the Company's Articles of Association, and the General Shareholders' Meeting shall elect persons for the director positions from the candidate list.
- The election of independent directors and of non-independent directors shall be conducted simultaneously, and the numbers of which shall be calculated separately.
- Article 4: When an election begins, the Chair shall assign several ballot monitors and vote counting personnel who shall with shareholder status to perform their respective tasks.
- Article 5: The ballots shall be prepared and distributed by the Company. The voting rights corresponding to each attendance pass number shall be printed on the ballots.
- Article 6: (Deleted)

Article 7: Ballots shall be invalidated where any of the following circumstances apply:

- I. The ballot was not prepared by a person with the right to convene.
- II. Blank ballots are placed in the ballot box.
- III. The handwriting on ballots is illegible or has been altered.
- IV. Other words or marks are entered in addition to the number of voting rights allotted.
- V. The candidate whose name is entered in the ballot does not conform to the director candidate list.

Article 8: The voting rights shall be calculated on site immediately after the end of the poll, and the result of the calculation, including the list of persons elected as directors and the numbers of votes with which they are elected, shall be announced by the chair on the site.

Article 9: Deleted.

Article 10: Matters not specified in the Rules shall be handled in accordance with the Company Act as well as relevant laws and regulations.

Article 11: The Rules shall come into force after approval by the General Shareholders' Meeting. The same shall apply to subsequent changes.

The Rules were formulated on April 19, 1997.

Revised on June 28, 2002.

Revised on June 27, 2014.

Revised on May 25, 2018.

Revised on August 2, 2021.

Appendix 4

Globe Union Industrial Corp. Shareholdings of All Directors

1.The Minimum Shareholding of All Directors

All Directors (Does not include Independent Directors)

Record Date : April 1st, 2024

Director(s)	The Actual Number of Shares	The Minimum Shareholding
4 persons of Ming-Ling Co., Ltd.	37,974,032	13,102,847

2.The Current Shareholding of All Directors

Record Date : April 1st, 2024

Title	Name	Current Shareholding (Shares)		Remark
		Shares	Shareholding ratio(%)	
Chairman	Ming-Ling Co., Ltd. Representative : Shane Ouyang	37,974,032	9.27	
Director	Ming-Ling Co., Ltd. Representative : Hung-Kang Lin			
Director	Ming-Ling Co., Ltd. Representative : Wen-Hsin Chen			
Director	Ming-Ling Co., Ltd. Representative : Andrew Yates			
Independent Director	Chin-Shan Huang	541	0	
Independent Director	Young-Sheng Hsu	0	0	
Independent Director	Wen-Yi Fan	0	0	
Independent Director	Ta-Chin Hsu	0	0	

Note : The number of issued shares was 409,463,962 shares.