

Stock Code: 6761

Wendell Industrial Co., Ltd.

2024 General Shareholders' Meeting

Meeting Handbook

Convening method: Entity convening

Time: June 18, 2024 at 09:30 a.m.

Venue: 2F, No. 188, Baoqiao Rd., Xindian Dist., New Taipei City (Conference Room)

Wendell Industrial Co., Ltd.
2024 General Shareholders' Meeting Handbook
Table of Contents

I.	Meeting Procedure	1
II.	Meeting Agenda	2
	(I) Reports	3-4
	(II) Approvals	5
	(III) Discussion	6
	(IV) Motions	7
III.	Annex	
	(I) 2023 Annual Business Report	8-11
	(II) Audit Committee Approval and Audit Report	12
	(III) 2023 Contents of directors' remuneration	13
	(IV) Communication of Independent Directors with Internal Audit Officer and CPAs	14-16
	(V) Independent Auditors' Review Report and Financial Statements for 2023	17-36
	(VI) Surplus Appropriation Statement	37
	(VII) Comparison Table of Provisions of Rule of Procedure of Shareholders' Meeting before and after Amendment	38-39
	(VIII) Comparison Table of Provisions of Rules of Procedure of Board of Directors before and after Amendment	40-41
	(IX) Comparison Table of Provisions of Procedures for Integrity Management and Guidelines for Conduct before and after Amendment	42-44
IV.	Appendix	
	(I) Articles of Incorporation	45-50

(II)	Rule of Procedure of Shareholders' Meeting (Before revision)	51-64
(III)	Shareholdings of All Directors	65

I. Meeting Procedure

Wendell Industrial Co., Ltd.

2024 General Shareholders' Meeting Procedure

- (I) Announcement of Commencement
- (II) Chairman's Speech
- (III) Reported Matters
- (IV) Approval Matters
- (V) Discussion Matters
- (VI) Motions
- (VII) Adjournment

II. Meeting Agenda

Wendell Industrial Co., Ltd.

2024 General Shareholders' Meeting Agenda

Convening method: Entity convening.

Time: June 18, 2024 at 09:30 a.m.

Venue: 2F, No. 188, Baoqiao Rd., Xindian Dist., New Taipei City (Conference Room)

- (I) Announcement of Commencement
- (II) Chairman's Speech
- (III) Reported Matters
 1. 2023 Annual Operating Report
 2. 2023 Annual Audit Report of Audit Committee
 3. 2023 Annual Report on Remuneration Distribution for Directors and Employees
 4. Report on Directors' Remuneration.
 5. Report of Matters Related to Raising of Corporate Bonds
 6. Report of Communication of Members of Audit Committee with Internal Audit Officer
 7. Proposal for Amendment to Some Provisions of "Rules of Procedure of Board of Directors"
 8. Proposal for Amendment to Some Provisions of "Procedures for Integrity Management and Guidelines for Conduct"
- (IV) Approval Matters
 1. 2023 Annual Operating Report and Financial Statements
 2. 2023 Annual Surplus Distribution Plan
- (V) Discussion Matters
 1. Proposal for Amendment to Some Provisions of "Rule of Procedure of Shareholders' Meeting"
- (VI) Motions
- (VII) Adjournment

Reports

Brief 1: 2023 Annual Operating Report.

Description: “2023 Annual Operating Report”, please refer to Annex 1, page 8-11.

Brief 2: 2023 Annual Audit Report of Audit Committee.

Description: The statement of final accounts of the Company for the year 2023 has been reviewed by the Audit Committee, and a review report has been submitted. Please refer to Annex 2, page 12.

Brief 3: 2023 Annual Report on Remuneration Distribution for Directors and Employees.

Description: In accordance with the provisions of the Articles of Association of the Company, 1.50% and 2.62% of the profits made in the current year shall be drawn as remunerations of employee and remunerations of the Directors respectively, involving amount of NT\$ 2,012,394 and NT\$ 3,501,754. The remunerations are paid in cash.

Brief 4: Report on Directors' Remuneration.

Description: In accordance with the provisions of the Articles of Association of the Company, the Company shall pay remuneration to directors for their performance of corporate duties. The Board of Directors shall determine the remuneration in accordance with their level of participation in the Company's operations and the value of their contribution, and with reference to the standards in the same trade. Besides, if the Company makes profits in the current year, remunerations of the Directors shall be appropriate within a limit that is not higher than 3% of the profits. “2023 Annual Report on Directors' Remuneration”, please refer to Annex 3, page 13.

Brief 5: Report of Matters Related to Raising of Corporate Bonds

Description: Contents related to the raising and issuance of the first unsecured convertible corporate bond of the Company in Taiwan and the implementation status thereof are as follows:

Type of corporate bond	Wendell Industrial Co., Ltd. First unsecured convertible corporate bond in Taiwan
Approval document number of competent authority	Chin-Kuan-Cheng-Fa-Tzu No. 1110338861 Letter issued by the Financial Supervisory Commission on May 3, 2022
Date of issuance	June 8, 2022
Total face value issued	NT\$ 400,000,000
Face value per bond	NT\$ 100,000

Issue price per bond	101% (issuance at a premium)	
Nominal interest rate	0%	
Term	3 years, from June 8, 2022 to June 8, 2025	
Trustee	Taipei Fubon Commercial Bank Co., Ltd.	
Underwriter	Fubon Securities Co. Ltd.	
Condition for put right of bond	Please refer to Article 19 of the regulation governing issuance and conversion.	
Condition for right of redemption of bond	Please refer to Article 18 of the regulation governing issuance and conversion.	
As of March 31	Shares already converted	1,004 new ordinary shares already converted and issued
	Amount not converted	NT\$ 399,900,000

Brief 6: Report of Communication of Members of Audit Committee with Internal Audit Officer

Description: In accordance with the provisions of Article 3 of “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, TWSE/TPEX listed companies should better establish relevant pipeline and mechanism for the communication of independent directors, the Audit Committee or supervisor with the internal audit officer. The convener of the Audit Committee or the supervisor shall report the communication of the members of the Audit Committee or the supervisor with the internal audit officer at the Shareholders’ Meeting. Please refer to Annex 4, page 14-16.

Brief 7: Proposal for Amendment to Some Provisions of “Rules of Procedure of Board of Directors”

Description: To coordinate the modification of relevant law or regulation, some provisions of “Rules of Procedure of Board of Directors” are amended. For the comparison table of provisions before and after amendment, please refer to Annex 8, page 40-41.

Brief 8: Proposal for Amendment to Some Provisions of “Procedures for Integrity Management and Guidelines for Conduct”

Description: To coordinate the practical operations, some provisions of “Procedures for Integrity Management and Guidelines for Conduct” are amended. For the comparison table of provisions before and after amendment, please refer to Annex 9, page 42-44.

Approvals

Case 1 (Proposed by the Board of Directors)

Cause: 2023 Annual Operating Report and Financial Statements.

Description:

- (I) The business report and relevant financial statements (including consolidated statements) of the Company have been passed by the Board of Directors with relevant resolutions, and the financial statements have been audited by CPAs Chen, Chin-Chang and Tu, Pei-Ling from PricewaterhouseCoopers Taiwan and reviewed by the Audit Committee.
- (II) Relevant forms have been prepared according to the provisions of Article 228 of the Company Act. Please refer to Annex 1, page 8-11 and Annex 5, page 17-36.
- (III) The proposal is hereby presented for approval.

Resolution:

Case 2 (Proposed by the Board of Directors)

Cause: 2023 Annual Surplus Distribution Plan

Description:

- (I) The annual surplus distribution table of the Company for the year 2023 has been prepared according to the provisions of the Company Act and the Articles of Association of the Company. Please refer to Annex 6, page 37.
- (II) It is planned to draw NT\$ 120,419,768 of cash dividends for shareholders from the surplus obtained in 2023, and distribute NT\$ 4 per share.
- (III) The cash dividends distributed this time are calculated to NT\$ 1 according to the distribution ratios, and amount less than NT\$ 1 will be removed. The total amount of odd fractional remnants less than NT\$ 1 as distributed are listed under the subject of other revenue of the Company. If the dividend distribution ratio passed by the Shareholders' Meeting is changed later due to changes of relevant law or regulation, or change of the ratio verified and approved by the competent authority, or change of the share capital of the Company, the Shareholders' Meeting will be requested to authorize the Chairman to adjust it according to the actual number of outstanding shares with full authority.
- (IV) After this proposal is passed by the General Shareholders' Meeting, the Chairman will be authorized to determine the base date of dividend distribution, payment date, and other related matters.
- (V) The proposal is hereby presented for approval.

Resolution:

Discussion

Case 1 (Proposed by the Board of Directors)

Cause: Proposal for Amendment to Some Provisions of “Rule of Procedure of Shareholders’ Meeting”

Description:

(I) Amendment to some provisions of “Rule of Procedure of Shareholders’ Meeting” to coordinate with the modification of relevant law or regulation

(II) For the draft of the comparison table before and after amendment, please refer to Annex 7, page 38-39.

(III) The proposal is hereby presented for discussion.

Resolution:

Motions

Adjournment

Wendell Industrial Co., Ltd. 2023 Annual Business Report

I. 2023 Annual operating result

(I) Result of operating plan implementation

In 2023, due to the slowdown of the demand of terminal customers and the pressure of inventory destocking in the macro environment, Wendell also promptly adopted its overall deployment direction and strategies with the trends of the market changes. The Company continued to focus on the application fields including networking, automatic electronics, industrial computers, and security monitoring, expanded the layout of laboratories, and improved testing capabilities and scope, to provide customers more comprehensive one-stop integrated services. In 2023, the consolidated net operating revenue reached NT\$ 1,743,459,000, down by 9.34% compared with NT\$ 1,923,029,000 in 2022. The gross profit margin was 28.91%, and the net profit rate after tax was 5.81%. The EPS of the Company reached NT\$ 4.04 this year.

(II) Budget implementation

The Company has not disclosed its financial forecast in 2023.

(III) Financial revenue and expenditure and profitability analysis

Unit: NT\$ 1,000

Item / Year		2023	2022	Increase (decrease) %
Financial revenue and expenditure	Operating revenue	1,743,459	1,923,029	(9.34%)
	Operating profit	503,996	582,690	(13.51%)
	Gross margin (%)	28.91	30.30	(4.59%)
	Net profit after tax	101,329	193,388	(47.60%)
Profitability	Return on asset (%)	5.95	11.50	(48.26%)
	Return on equity (%)	10.09	19.85	(49.17%)
	Ratio of operating profit to capital (%)	58.94	97.08	(32.29%)
	Ratio of net profit before tax to paid-in capital (%)	52.43	104.10	(49.63%)
	Net profit ratio (%)	5.81	10.06	(42.25%)
	Earnings per share (NT\$)	4.04	8.09	(50.06%)

Note 1: Above the information of consolidated financial statements under IFRS in 2023 and 2022 respectively.

Description of reasons for changes (increase/decrease) of gross margin and net profit after tax:

- In 2023, due to the impact of the inventory destocking and the drawing of losses on slow-moving inventories and falling prices, the amount of the gross margin was down by 13.51% compared with last year. The gross profit rate decreased to 28.91%, down by 4.59%

compared with last year. As for product structure, the ratios of revenue from self-owned brands, agent brands, and testing and certification reached 40.09%, 50.10% and 9.81% respectively in 2023, showing a continually optimized product structure.

2. In 2023, the overall gross margin was reduced by NT\$ 78,694,000 compared with last year, and the operating expenses were similar to those last year, with a growth rate of only 1.55%. As for nonoperating revenue and expenditure, exchange loss of NT\$ 9,347,000 was recognized mainly due to the impact of the depreciation of US dollar. As a consequence, the net profit after tax was NT\$ 101,329,000, down by 47.60% compared with last year.

(IV) Research and development

Patent of “Composite Material Structure with High Thermal Conductivity” obtained in 2023

This patent mainly combines carbon nanotubes with graphene. A method of coating and forming is utilized to bond them onto metal copper sheets. Then, a composite material structure is formed, which becomes a solution to the selection of materials with high thermal conductivity.

Patent of “Electromagnetic Interference Housing with High Thermal Conductivity” obtained in 2023

A method of punch forming is utilized for this patent to make the composite material structure with high thermal conductivity to any form of housing. This patent can be applied to WIFI devices with high-speed signal transmission and any AP routers, and it also solve the problem of electromagnetic interference with high thermal conductivity at the same time.

Patents of “Automatic Power Filter (China) ZL202122547723.1” and “Power Conducted Noise Attenuation Device” obtained in 2023

In 2020, the Company invested in a R&D project of automotive power protection device and obtained a patented product of “Automotive Power Filter” in 2021, to provide automotive power sources with complete EMI and EMS filter protection. In 2022, it additionally applied for a patent of “Automatic Power Filter ZL202122547723.1” of its modular product in China, and added “Power Conducted Noise Attenuation Device” to make the automotive power protection more comprehensive.

Patent of “Network Communication Connector Protection Device” obtained in 2024

This patent focuses on the protection device of network communication connector. The main function of this device is to prevent surges, e.g., lightning strike or noise, to protect the circuits inside communication devices from being damaged. This device can effectively dissipate surges and prevent the entry of surges to the internal circuits through signal output and POE, so as to protect the functional integrity of the circuits. Besides, compared to the common products on the market, this patent features higher surge tolerance, and improves the reliability in the practical applications.

“Semiconductor Packaging Structure with Improved Upper Core Area” obtained in 2024

The small-size packaging frame base island structure mainly increases the contact area between chip and framework base island, thus effectively improving production capacity and yield.

Application for patent of “Semiconductor Test Base” expected in 2024

The semiconductor universal test base is mainly intended to integrate the test bases of different packaging pinouts of semiconductors, improve the testing accuracy and efficiency of parts, and reduce the resource consumption resulting from the past one-on-one test boards.

Application for patents of “Externally Connected Network Lightning Protector” and “High-speed Communication Connector Protection Device” expected in 2024

The main advantage of the externally connected network lightning protector lies in plug-and-play lightning protection, which is different from lightning components that need to be bridged using connecting line on the market. Besides, compared with general products sold on the market, the externally connected network lightning protector is smaller in size and higher in surge tolerability. Also, it presents more excellent performance.

Through the optimization of the previous network communication connector protection device, the high-speed communication connector protection device successfully improves the transmission rate to reach the current upper limits of the Ethernet. Also, it has maintained the excellent, high-performance surge prevention efficiency and effectively protected the high-speed communication devices from the damages caused by surges.

II. Summary of annual operating plan of 2024

(I) Operating strategy & Important production and sale policies

1. The continual development of new products, linkage with new market applications, and active layout of applications such as 5G, WIFI7, automotive electronics and electric motor car/car/bicycle, Internet of Things, high-speed computing of data center, low earth orbit satellite, low-carbon green energy and energy storage, artificial intelligence, and intelligent city are all the main development directions in 2024.
2. Strengthen the coverage of automotive electronic peripherals and IoV products and continually improve the ratio of business turnover of automatic customers.
3. Increase the capital expenditure of electrical testing laboratories and expand the testing capabilities and scope.
4. Utilize laboratories to continually enlarge the complete electromagnetic compatibility integration capability, profoundly develop customer groups in each field, and increase the Company’s performance.

(II) Expected sales volume

The Company expects that the sales quantity of components will reach approximately 1,229,742,000 in 2024 and the sales quantity of testing and certification products will reach approximately 7,000 according to the development trends of the industry and the future business development direction.

(III) Production and sales policies

1. Implement strategic cooperation with the main upstream raw material manufacturers, fabs and OSATs to ensure the supply and quality stability of raw materials and production capacity, lower the cost, and increase the overall competitive advantages.

2. Expand the component and testing & certification markets, and continually develop new products to satisfy the new market applications and needs. Also, the Company will rely on its professional experience to provide customers with one-stop integrated services and accelerate the efficiency of marketing of customers' products based on a complete testing environment.

III. Future company development strategies

- (I) Promote the complete one-stop purchasing services for EMC certification, expand the laboratory platform, and make arrangements globally to realize win-win cooperation with customers.
- (II) Actively develop new product lines and provide customers with the most suitable EMC and line protection solutions.
- (III) Continually expand laboratory certification items, and rely on cooperation with overseas laboratories to improve the breadth of customer services.
- (IV) Cultivate long-term partnerships with customer based on the service spirit of "A TEAM OF CUSTOMER ORENTATION".

IV. External competition environment, regulatory environment, and impact of overall operating environment

With respect to the external competition environment, the Company, the Company owns complete product lines that have been profoundly cultivated for many years, experienced and professional engineer teams, and complete laboratory testing yards. Also, the Company provides product certification services, and integrates them into a unique and difficult-to-reproduce one-stop commercial model of EMC and line protection. Different from general parts suppliers and laboratories, the Company establish favorable partnerships with customers and maintain its competitive advantages in the industry.

With respect to the regulatory environment, the Company has adjusted its internal rules, regulations and administrative measures as appropriate in response to the revision of relevant laws and regulations, and studied and drawn up relevant supporting measures. It is expected that the revision of relevant regulations does not have a significant impact on the Company.

With respect to the impact of the overall operating environment, the global industrial chain will be impacted by the intensified heating of the Ukraine-Russia war, the trends of the interest rate policies of the Federal Reserve System, and the possible change in the results of the American presidential election. To this end, the Company will maintain favorable communication pipelines with customers and suppliers, master their actual operating conditions, and adjust its operating strategies and direction in consideration of the international trends, to sustain stable operation and profits.

Wendell Industrial Co., Ltd.
Audit Committee Approval and Audit Report

The board of directors of the company prepared and submitted the 2023 business report, financial statements, and surplus distribution statement. The financial statements were verified by PricewaterhouseCoopers Taiwan CPA CHEN, CHIN-CHANG, CPA TU, PEI-LING. The accountant has communicated with the Audit Committee on the key audit matters in the audit report. The Audit Committee, upon examination, finds no discrepancy in the foregoing lists, and in accordance with the provisions of Article 14 of the Securities and Exchange Act and Article 219 of the Company Act, hereby provides a report for your approval.

2024 Regular Shareholders' Meeting of Wendell Industrial Co., Ltd.

Audit Committee of Wendell Industrial Co., Ltd.

Audit Committee Convener: LIN, CHIN-FENG

March 7, 2024

2023 Contents of directors' remuneration

December 31, 2023; Unit: NT\$ 1000

Title	Name	Director's remuneration								Total amounts of A, B, C and D and percentage in profit after tax %		Pay received as an employee								Total amounts of A, B, C, D, E, F and G and percentage in profit after tax %		Remuneration received from invested companies other than subsidiaries or the parent company
		Remuneration (A)		Pension (B)		Remuneration to directors (C)		Business expense (D)				Salary, bonus and special allowance (E)		Pension (F)		Employee compensation (G)						
		The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities			The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company				
										Cash Amount	Stock Amount							Cash Amount	Stock Amount			
Director	Bo Hong Investment Co., Ltd Representative: KAO, CHIH-HUNG	-	-	-	-	2,132	2,132	42	42	2.15%	2.15%	13,460	13,460	189	189	188	-	188	-	15.80%	15.80%	None
Director	Hong Hui Co., Ltd Representative: KAO, MIN-HUNG	-	-	-	-	2,132	2,132	42	42	2.15%	2.15%	13,460	13,460	189	189	188	-	188	-	15.80%	15.80%	None
Director	Wei Hong Assets Co., Ltd. Representative: CHAN, PO-HSIANG	-	-	-	-	2,132	2,132	42	42	2.15%	2.15%	13,460	13,460	189	189	188	-	188	-	15.80%	15.80%	None
Director	LIU, SHENG-CHANG	-	-	-	-	2,132	2,132	42	42	2.15%	2.15%	13,460	13,460	189	189	188	-	188	-	15.80%	15.80%	None
Independent Director	LIN, CHIN-FENG	-	-	-	-	1,370	1,370	142	142	1.49%	1.49%	-	-	-	-	-	-	-	-	1.49%	1.49%	None
Independent Director	HO, TZU-SHUN	-	-	-	-	1,370	1,370	142	142	1.49%	1.49%	-	-	-	-	-	-	-	-	1.49%	1.49%	None
Independent Director	SU, CHUN-NIEN	-	-	-	-	1,370	1,370	142	142	1.49%	1.49%	-	-	-	-	-	-	-	-	1.49%	1.49%	None
Independent Director	Tseng, Hsiao Chuan	-	-	-	-	1,370	1,370	142	142	1.49%	1.49%	-	-	-	-	-	-	-	-	1.49%	1.49%	None

- Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration
Remuneration paid by the Company to independent directors includes the reward distributed to participating directors and travel expenses paid to the attending directors in accordance with the provisions of Article 20 of the Articles of Association of the Company.
- In addition to the above disclosures, directors' remuneration from service provision (e.g. assumed as non-employee consultant of patent company/all companies in financial statements/invested enterprises) of recent years: None

Wendell Industrial Co., Ltd.

Communication of Independent Directors with Internal Audit Officer and CPAs

I. Policy for the communication of independent directors with the internal audit officer and CPAs:

- (I) At least a separate communication meeting between the independent directors and the internal audit officer and CPAs shall be conducted every year to communicate the internal audit report or the CPAs' audit report.
- (II) The Audit Committee of the Company comprises all independent directors and shall convene meetings at least once every quarter. The internal audit officer shall regularly report to the Audit Committee the followings:
1. Annual internal audit plan
 2. Implementation status of the internal audit
- (III) The CPAs shall participate the meeting of the Audit Committee every year and report the results of the annual audit.
- (IV) Others: Meetings may be convened irregularly for communication when major abnormalities or matters deemed by the independent directors, CPAs and internal audit officer necessary for independent communication arise.

II. Communication of independent directors with internal audit officer and CPAs in 2023:

Communication method	Date	Personnel attending the meeting as a voting/nonvoting party	Communicated matters	Handling and implementation results	Remarks
Communication meeting between the independent directors and the internal audit officer and CPAs	March 8, 2023	Independent Director: LIN, CHIN-FENG Independent Director: HO, TZU-SHUN Independent Director: SU, CHUN-NIEN CPA: CHEN, CHIN-CHANG Audit supervisor: LIN, YI-CHING	<ol style="list-style-type: none"> 1. Report of Implementation Status of Audit Plan for the Fourth Quarter of 2022 2. Description and communication of audit results of consolidated financial statements for the fourth quarter of 2022 3. Review of ten audit quality indicators (AQIs) 4. Updating of laws and regulations 	No objection	General directors and management were not present.
Communication meeting between the independent directors and the internal audit officer and CPAs	August 9, 2023	Independent Director: LIN, CHIN-FENG Independent Director: HO, TZU-SHUN CPA: CHEN, CHIN-CHANG Audit supervisor: LIN, YI-CHING	<ol style="list-style-type: none"> 1. Report of Implementation Status of Audit Plan for the Second Quarter of 2023 2. Description and communication of audit results of consolidated financial statements for the second quarter of 	No objection	<ol style="list-style-type: none"> 1. General directors and management were not present. 2. Independent

			2023 3. Planning of annual audit in the fourth quarter of 2023 and communication with the governance unit		director SU, CHUN-NIEN resigned on May 29, 2023.
Audit Committee	March 8, 2023	Independent Director: LIN, CHIN-FENG Independent Director: HO, TZU-SHUN Independent Director: SU, CHUN-NIEN CPA: CHEN, CHIN-CHANG Audit supervisor: LIN, YI-CHING	1. Report of Implementation Status of Audit Plan for the Fourth Quarter of 2022 2. Approval of the Proposal for "Declaration of Internal Control System" of the Company in 2022	No objection	--
Audit Committee	May 11, 2023	Independent Director: LIN, CHIN-FENG Independent Director: HO, TZU-SHUN Independent Director: SU, CHUN-NIEN CPA: CHEN, CHIN-CHANG Audit supervisor: LIN, YI-CHING	1. Report of Implementation Status of Audit Plan for the First Quarter of 2023 2. Proposal for Revision of "Internal Control System" of the Company	No objection	-
Audit Committee	June 12, 2023	Independent Director: LIN, CHIN-FENG Independent Director: HO, TZU-SHUN CPA: CHEN, CHIN-CHANG Audit supervisor: LIN, YI-CHING	1. Proposal for Revision of "Internal Control System" of the Company	No objection	Independent director SU, CHUN-NIEN resigned on May 29, 2023.
Audit Committee	August 9, 2023	Independent Director: LIN, CHIN-FENG Independent Director: HO, TZU-SHUN CPA: CHEN, CHIN-CHANG Audit supervisor: LIN, YI-CHING	1. Report of Implementation Status of Audit Plan for the Second Quarter of 2023	No objection	Independent director SU, CHUN-NIEN resigned on May 29, 2023.
Audit Committee	November 14, 2023	Independent Director: LIN, CHIN-FENG Independent Director: HO, TZU-SHUN Independent Director: TSENG, HSIAO-CHUAN CPA: CHEN, CHIN-CHANG Audit supervisor: LIN, YI-CHING	1. Report of Implementation Status of Audit Plan for the Third Quarter of 2023 2. Revision of Audit Plan of 2023	No objection	Independent director TSENG, HSIAO-CHUAN was newly appointed on August 30, 2023.
Internal Audit Report	February 13, 2023 March 10, 2023 April 7, 2023 May 8, 2023 June 9, 2023 July 10, 2023 August 16, 2023 September 11, 2023 October 20, 2023	The audit report in the current month was sent to the independent directors' emails or delivered to the independent directors prior to the end of the next month.	Audit Report in January 2023 Audit Report in February 2023 Audit Report in March 2023 Audit Report in April 2023 Audit Report in May 2023 Audit Report in June 2023 Audit Report in July 2023 Audit Report in August 2023 Audit Report in September 2023	No objection	-

	November 20, 2023 December 13, 2023 January 15, 2024		Audit Report in October 2023 Audit Report in November 2023 Audit Report in December 2023		
--	--	--	--	--	--

Independent Auditors' Report

(113) Cai-Sheng-Bao-Tzu No. 23004639

Wendell Industrial Co., Ltd.:

Opinions

We have audited the accompanying consolidated balance sheets of Wendell Industrial Co., Ltd. and its subsidiaries (the "Group") as of December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023 and 2022, and notes to the consolidated financial statements, including the summary of significant accounting policies (collectively "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 Group as of December 31, 2023 and 2022, and their consolidated financial performance and cash flows for the years ended December 31, 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 Opinions

We conducted our audits in accordance with the Regulations Governing the Auditing and Attestation of Financial Statements by Certified Public Accountants and Auditing Standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China ("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 the Consolidated Financial Statements of the Group and its subsidiaries for the year ended December 31, 2023. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters of the consolidated financial statements of Wendell Group in the year 2023 are as follows:

Loss allowance for accounts receivable

Instruction for the matter

For the accounting policy regarding accounts receivable, accounting estimates and assumptions of impairment evaluation, and instructions related to impairment, please see Note IV (IX) and (X), Note V (II) and Note VI (IV) of the consolidated financial statements.

Wendell Group evaluates the impairment of accounts receivable and calculate expected loss ratio with reference to historical experience and in consideration of the customers' previous default records and current financial position, etc., to recognize loss allowance. Additionally, if the accounts receivable from individual customers are individually identified with a trace of impairment, or actual credit impairment, the Company will draw loss allowance. During the process of impairment evaluation of accounts receivable, the management applies judgment and estimates to determine the future recoverability, while its future recoverability is affected by various factors like the management's assumptions of credit risks of customers. Therefore, the CPA will include the estimates of impairment of accounts receivable as a key audit matter.

Responsive audit procedures

The audit procedures already executed by this CPA are summarized as follows:

1. Learn about and evaluate credit risk management as well as policies related to impairment evaluation of accounts receivable and internal control.
2. Learn about the computational logic of the aging statement of ending accounts receivable provided by the management, review relevant supporting documents, and check the book records to confirm the correctness of the classification of aging periods.
3. Recheck the supporting documents provided by the management for evaluation regarding the major impairment of accounts receivable as individually recognized by the management, to evaluate the reasonableness of the possibility of recovery.
4. Verify the subsequent collections of overdue accounts receivable with a significant sampling amount.

Inventory valuation

Instruction for the matter

For the accounting policy, accounting estimates and assumptions related to inventory valuation, please refer to Note IV (XII), Note V (II) and Note VI (V) of the consolidated financial statements for details.

Wendell Group is mainly engaged in the sales of various kinds of electronic components. The ending inventories are measured at the cost or net realizable value, whichever is lower. At the same time, the falling price loss is drawn based on the useful status of outdated and obsolete inventories that have been individually identified. Such inventories feature short life cycle and fierce market competition, and the allowance for reduction of inventory individually identified

as outdated and obsolete involves the management's subjective judgment. Therefore, the CPA includes the estimates of such inventory evaluation losses as a key audit matter.

Responsive audit procedures

The audit procedures already executed by this CPA are summarized as follows:

1. Learn about the operation of the Group and the nature of the industry, and evaluate the reasonableness of the internal control procedure and withdrawal policy adopted by the Company to address the loss on the allowance for reduction of inventory.
2. Test the basis of market price of net realizable value of individual inventories and conduct spot check to confirm whether the net realizable value is correctly calculated.
3. Learn about the warehousing management process of the Group, review its annual inventory plan, and participate in the evaluation of its annual inventory checking on the site, to evaluate the effectiveness of the inventory control of the management.
4. Acquire the details of outdated inventories individually identified by the management, review relevant documents, and check them with the book records.

Other Matter – the Parent Company Only Financial Statements

We have also audited the parent company only financial statements of Wendell Industrial Co., Ltd. as of and for the years ended December 31, 2023 and 2022 on which we have issued an unmodified opinion.

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

To ensure that the Consolidated Financial Statements do not contain material misstatements caused by fraud or errors, the management is responsible for preparing prudent Consolidated Financial Statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for preparing and maintaining necessary internal control procedures pertaining to the Consolidated Financial Statements.

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

Those charged with governance, including the Audit Committee, are responsible for overseeing the Groups' financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatements, whether due to fraud or error, and

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

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and evaluate the risk of material misstatements due to fraud or error in the Consolidated Financial Statements; design and carry out appropriate countermeasures for the evaluated risk; and obtain sufficient and appropriate evidence as the basis for audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal controls 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 controls of the Group.
3. Assess the appropriateness of the accounting policies adopted by the management, as well as the reasonableness of their accounting estimates and relevant disclosures.
4. Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group ability to operate as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall expression, structure and contents of the Consolidated Financial Statements (including relevant Notes), and whether the Consolidated Financial Statements fairly present relevant transactions and items.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision, and performance of the audit and for expressing an opinion on the Group's audits.

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 the key audit matters of the Groups' Consolidated Financial Statements for the year ended December 31, 2023. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers Taiwan

CPA: CHEN, CHIN-CHANG
TU, PEI-LING

Financial Supervisory Commission
Auditing and Attestation No.: FSC (Sheng) No.
1060025060
Former Securities & Exchange Commission,
Ministry of Finance
Auditing and Attestation No.: (84) Tai-Cai-Cheng (6)
No.13377
March 7, 2024

Wendell Industrial Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

Code	Assets	Note	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 478,129	24	\$ 373,921	19
1110	Current financial assets at fair value through profit or loss	6(2)	77,471	4	-	-
1136	Financial assets at amortized cost	6(3), 8	2,000	-	48,874	3
1150	Notes receivable	6(4)	39,510	2	30,115	2
1170	Accounts receivable	6(4)	559,593	29	528,596	28
130X	Inventories	6(5)	336,500	17	503,896	26
1470	Other current assets		19,066	1	27,829	1
11XX	Total current assets		<u>1,512,269</u>	<u>77</u>	<u>1,513,231</u>	<u>79</u>
Non-current assets						
1600	Property, plant and equipment	6(6)	347,206	18	318,066	16
1755	Right-of-use assets	6(7)	58,053	3	72,725	4
1840	Deferred tax assets	6(19)	18,185	1	11,149	-
1900	Other non-current assets		18,880	1	11,542	1
15XX	Total non-current assets		<u>442,324</u>	<u>23</u>	<u>413,482</u>	<u>21</u>
1XXX	Total assets		<u>\$ 1,954,593</u>	<u>100</u>	<u>\$ 1,926,713</u>	<u>100</u>

(Continue on next page)

Wendell Industrial Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

Code	Assets	Note	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
	Current liabilities					
2100	Short-term loans	6(8)	\$ 217,191	11	\$ 114,306	6
2120	Financial liabilities at fair value through profit or loss	6(2)	840	-	1,200	-
2130	Current contract liabilities	6(15)	7,212	-	7,482	-
2170	Accounts payable		155,161	8	210,086	11
2200	Other accounts payable	6(9)	76,301	4	64,348	3
2230	Current tax liabilities		36,067	2	35,583	2
2280	Current lease liabilities (Note 13)	6(7)	29,507	2	33,487	2
2320	Long-term liabilities - current portion	6(10)	389,078	20	-	-
2399	Other current liabilities - other		2,666	-	3,468	-
21XX	Total current liabilities		<u>914,023</u>	<u>47</u>	<u>469,960</u>	<u>24</u>
	Non-current liabilities					
2530	Bonds payable	6(10)	-	-	381,825	20
2570	Deferred tax liabilities	6(19)	13,508	1	12,787	1
2580	Non-current lease liabilities	6(7)	29,476	1	40,583	2
2600	Other non-current liabilities	6(11)	3,907	-	6,308	-
25XX	Total non-current liabilities		<u>46,891</u>	<u>2</u>	<u>441,503</u>	<u>23</u>
2XXX	Total liabilities		<u>960,914</u>	<u>49</u>	<u>911,463</u>	<u>47</u>
	Equity					
	Equity attributed to owners of parent					
	Share	6(12)				
3110	Ordinary share		251,049	13	239,085	13
	Capital surplus	6(13)				
3200	Capital surplus		326,681	17	326,595	17
	Retained earnings	6(14)				
3310	Legal reserve		83,425	4	63,986	3
3320	Special reserve		-	-	4,196	-
3350	Unappropriated retained earnings		334,846	17	380,383	20
	Other equity					
3400	Other equity		(2,322)	-	1,005	-
3XXX	Total equity		<u>993,679</u>	<u>51</u>	<u>1,015,250</u>	<u>53</u>
	Significant contingent liabilities and unrecognized contract commitments	9				
	Significant subsequent events	11				
3X2X	Total liabilities and equity		<u>\$ 1,954,593</u>	<u>100</u>	<u>\$ 1,926,713</u>	<u>100</u>

The accompanying notes constitute part of the consolidated financial statements.

Wendell Industrial Co., Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars,
except for EPS in New Taiwan Dollars

Item	Note	2023		2022	
		Amount	%	Amount	%
4000 Operating revenue	6(15)	\$ 1,743,459	100	\$ 1,923,029	100
5000 Operating costs	6(5)(18)	(1,239,463)	(71)	(1,340,339)	(70)
5900 Gross profit (loss) from operations		<u>503,996</u>	<u>29</u>	<u>582,690</u>	<u>30</u>
Operating expenses	6(18)				
6100 Selling expenses		(150,500)	(8)	(145,936)	(7)
6200 Administrative expenses		(188,827)	(11)	(192,607)	(10)
6300 Research and development expenses		(14,561)	(1)	(13,164)	(1)
6450 Impairment loss determined in accordance with IFRS 9	6(4)	(2,131)	-	1,132	-
6000 Total operating expenses		<u>(356,019)</u>	<u>(20)</u>	<u>(350,575)</u>	<u>(18)</u>
6900 Net operating income		<u>147,977</u>	<u>9</u>	<u>232,115</u>	<u>12</u>
Non-operating income and expenses					
7100 Interest income		6,755	-	2,074	-
7010 Other income		2,970	-	7,970	1
7020 Other gains and losses	6(16)	(8,393)	-	18,200	1
7050 Finance costs	6(17)	(17,697)	(1)	(11,463)	(1)
7000 Total non-operating income and expenses		<u>(16,365)</u>	<u>(1)</u>	<u>16,781</u>	<u>1</u>
7900 Profit from continuing operations before tax		<u>131,612</u>	<u>8</u>	<u>248,896</u>	<u>13</u>
7950 Tax expense	6(19)	(30,283)	(2)	(55,508)	(3)
8200 Profit (loss)		<u>\$ 101,329</u>	<u>6</u>	<u>\$ 193,388</u>	<u>10</u>
Other comprehensive income (net)					
Items that will not be reclassified subsequently to profit or loss:					
8311 Gains (losses) on remeasurements of defined benefit plans	6(11)	\$ 2,457	-	\$ 1,155	-
8349 Income tax related to items that will not be reclassified subsequently to profit or loss	6(19)	(192)	-	(154)	-
Items that may be reclassified subsequently to profit or loss					
8361 Exchange differences on translation of financial statements of overseas operations		(3,327)	-	5,201	-
8300 Other comprehensive income (net)		<u>(\$ 1,062)</u>	<u>-</u>	<u>\$ 6,202</u>	<u>-</u>
8500 Total comprehensive income		<u>\$ 100,267</u>	<u>6</u>	<u>\$ 199,590</u>	<u>10</u>
Profit attributable to:					
8610 Owners of parent		<u>\$ 101,329</u>	<u>6</u>	<u>\$ 193,388</u>	<u>10</u>
Comprehensive income attributable to:					
8710 Owners of parent		<u>\$ 100,267</u>	<u>6</u>	<u>\$ 199,590</u>	<u>10</u>
Earnings per share	6(20)				
9750 Total basic earnings per share		<u>\$</u>	<u>4.04</u>	<u>\$</u>	<u>7.70</u>
9850 Total diluted earnings per share		<u>\$</u>	<u>3.58</u>	<u>\$</u>	<u>7.18</u>

The accompanying notes constitute part of the consolidated financial statements.

Wendell Industrial Co., Ltd. and Subsidiaries
Consolidated Statements of Changes in Equity
December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

	Note	Equity attributed to owners of parent					Exchange differences on translation of financial statements of overseas operations	Total
		Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings		
2022								
Balance at January 1		\$ 239,085	\$ 305,468	\$ 45,186	\$ 550	\$ 347,109	(\$ 4,196)	\$ 933,202
Net profit in the current period		-	-	-	-	193,388	-	193,388
Other comprehensive income in the current period		-	-	-	-	1,001	5,201	6,202
Total comprehensive income in the current period		-	-	-	-	194,389	5,201	199,590
Earnings Assignment and Distribution in 2021	6(14)							
Legal reserve		-	-	18,800	-	(18,800)	-	-
Special reserve		-	-	-	3,646	(3,646)	-	-
Cash dividends		-	-	-	-	(138,669)	-	(138,669)
Issuance of corporate bonds	6(10)(13)	-	21,127	-	-	-	-	21,127
Balance at December 31		<u>\$ 239,085</u>	<u>\$ 326,595</u>	<u>\$ 63,986</u>	<u>\$ 4,196</u>	<u>\$ 380,383</u>	<u>\$ 1,005</u>	<u>\$ 1,015,250</u>
2023								
Balance at January 1		\$ 239,085	\$ 326,595	\$ 63,986	\$ 4,196	\$ 380,383	\$ 1,005	\$ 1,015,250
Net profit in the current period		-	-	-	-	101,329	-	101,329
Other comprehensive income in the current period		-	-	-	-	2,265	(3,327)	(1,062)
Total comprehensive income in the current period		-	-	-	-	103,594	(3,327)	100,267
Earnings Assignment and Distribution in 2022	6(14)							
Legal reserve		-	-	19,439	-	(19,439)	-	-
Special reserve		-	-	-	(4,196)	4,196	-	-
Cash dividends		-	-	-	-	(121,934)	-	(121,934)
Stock dividends		11,954	-	-	-	(11,954)	-	-
Conversion of convertible corporate bonds	6(10)(13)	10	86	-	-	-	-	96
Balance at December 31		<u>\$ 251,049</u>	<u>\$ 326,681</u>	<u>\$ 83,425</u>	<u>\$ -</u>	<u>\$ 334,846</u>	<u>(\$ 2,322)</u>	<u>\$ 993,679</u>

The accompanying notes constitute part of the consolidated financial statements.

Wendell Industrial Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

	Note	2023	2022
<u>Cash flows from operating activities, indirect method</u>			
Profit before tax		\$ 131,612	\$ 248,896
Adjustment items			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(18)	63,011	66,875
Amortization expense	6(18)	1,284	703
Expected credit loss	6(4)	2,131	(1,132)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	6(16)	(1,956)	1,240
Interest	6(17)	17,697	11,463
Interest income		(6,755)	(2,074)
Loss (gain) on disposal of property, plant and equipment	6(16)	10	699
Profit from lease modification	6(16)	(252)	(1,285)
Changes in operating assets and liabilities			
Total changes in operating assets			
Financial assets measured at fair value through profit or loss		(76,676)	-
Notes receivable		(9,398)	(437)
Accounts receivable		(33,233)	4,103
Inventories		167,396	(39,100)
Other current assets		10,512	(1,232)
Other non-current assets		54	(169)
Total changes in operating liabilities			
Contract liabilities - current		(270)	3,350
Accounts payable		(54,925)	(26,397)
Other accounts payable		2,981	(1,263)
Other current liabilities - other		(802)	317
Net defined benefit liability		196	(4,047)
Cash generated from operations		212,617	260,510
Interest collected		5,006	2,074
Interest paid		(11,320)	(7,400)
Income tax paid		(35,687)	(54,756)
Net cash generated from operating activities		<u>170,616</u>	<u>200,428</u>
<u>Cash flows from investing activities</u>			
Financial assets measured at amortized cost - Decrease in current assets		46,874	14,996
Acquisition of property, plant and equipment	6(21)	(46,789)	(247,749)
Acquisition of intangible assets		(2,723)	(888)
Decrease (increase) in refundable deposits		(5,856)	957
Net cash used in investing activities		<u>(8,494)</u>	<u>(232,684)</u>
<u>Cash flows from financing activities</u>			
Increase (decrease) in short-term loans	6(22)	102,885	(85,232)
Issuance of corporate bonds payable	6(22)	-	398,849
(Decrease) increase in Guarantee deposits paid	6(22)	(140)	140
Payments of lease liabilities	6(22)	(35,051)	(35,112)
Cash dividends paid	6(14)	(121,934)	(138,669)
Net cash generated from (used in) financing activities		<u>(54,240)</u>	<u>139,976</u>
Effect of exchange rate changes		(3,674)	5,109
Net increase in cash and cash equivalents		104,208	112,829
Cash and cash equivalents at beginning of period		373,921	261,092
Cash and cash equivalents at end of period		<u>\$ 478,129</u>	<u>\$ 373,921</u>

The accompanying notes constitute part of the consolidated financial statements.

Independent Auditors' Report

(113) Cai-Sheng-Bao-Tzu No. 23004342

Wendell Industrial Co., Ltd.:

Opinions

We have audited the Parent Company Only Balance Sheet of Wendell Industrial Co., Ltd. as of December 31, 2023 and 2022, Parent Company Only Statements of Comprehensive Income, Parent Company Only Statements of Changes in Equity, Parent Company Only Statements of Cash Flows, and Notes to Parent Company Only Financial Statements (including Summary of Significant Accounting Policies) for the annual periods from January 1 to December 31, 2023 and 2022.

In our opinion, the aforementioned Parent Company Only Financial Statements present fairly, in all material respects, the financial position of Wendell Industrial Co., Ltd. as of December 31, 2023 and 2022, and its financial performance and cash flows for the annual periods ended December 31, 2022, and 2011, in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."

Basis for Opinions

We conducted our audits in accordance with the Regulations Governing the Auditing and Attestation of Financial Statements by Certified Public Accountants and Auditing Standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China ("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 the Consolidated Financial Statements of the Group and its subsidiaries for the year ended December 31, 2023. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters of the individual financial statements of Wendell Group in the year 2023 are as follows:

Loss allowance for accounts receivable

Instruction for the matter

For the accounting policy regarding accounts receivable, accounting estimates and assumptions of impairment evaluation, and instructions related to impairment, please see Note IV (VIII) and (IX), Note V (II) and Note VI (IV) of the parent company only financial statements.

Wendell Group evaluates the impairment of accounts receivable and calculate expected loss ratio

with reference to historical experience and in consideration of the customers' previous default records and current financial position, etc., to recognize loss allowance. Additionally, if the accounts receivable from individual customers are individually identified with a trace of impairment, or actual credit impairment, the Company will draw loss allowance. During the process of impairment evaluation of accounts receivable, the management applies judgment and estimates to determine the future recoverability, while its future recoverability is affected by various factors like the management's assumptions of credit risks of customers. Therefore, the CPA will include the estimates of impairment of accounts receivable as a key audit matter.

Responsive audit procedures

The audit procedures already executed by this CPA are summarized as follows:

1. Learn about and evaluate credit risk management as well as policies related to impairment evaluation of accounts receivable and internal control.
2. Learn about the computational logic of the aging statement of ending accounts receivable provided by the management, review relevant supporting documents, and check the book records to confirm the correctness of the classification of aging periods.
3. Recheck the supporting documents provided by the management for evaluation regarding the major impairment of accounts receivable as individually recognized by the management, to evaluate the reasonableness of the possibility of recovery.
4. Verify the subsequent collections of overdue accounts receivable with a significant sampling amount.

Inventory valuation

Instruction for the matter

For the accounting policy, accounting estimates and assumptions related to inventory valuation, please refer to Note IV (XI), Note V (II) and Note VI (V) of the parent company only financial statements for details.

Wendell Group is mainly engaged in the sales of various kinds of electronic components. The ending inventories are measured at the cost or net realizable value, whichever is lower. At the same time, the falling price loss is drawn based on the useful status of outdated and obsolete inventories that have been individually identified. Such inventories feature short life cycle and fierce market competition, and the allowance for reduction of inventory individually identified as outdated and obsolete involves the management's subjective judgment. Therefore, the CPA includes the estimates of such inventory evaluation losses as a key audit matter.

Responsive audit procedures

The audit procedures already executed by this CPA are summarized as follows:

1. Learn about the operation of the Group and the nature of the industry, and evaluate the reasonableness of the internal control procedure and withdrawal policy adopted by the Company to address the loss on the allowance for reduction of inventory.
2. Test the basis of market price of net realizable value of individual inventories and conduct spot check to confirm whether the net realizable value is correctly calculated.

3. Learn about the warehousing management process of the Group, review its annual inventory plan, and participate in the evaluation of its annual inventory checking on the site, to evaluate the effectiveness of the inventory control of the management.
4. Acquire the details of outdated inventories individually identified by the management, review relevant documents, and check them with the book records.

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

To ensure that the Parent Company Only Financial Statements do not contain material misstatements caused by fraud or errors, the management is responsible for preparing prudent Parent Company Only Financial Statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for preparing and maintaining necessary internal control procedures pertaining to the Parent Company Only Financial Statements.

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

Those charged with governance, including the Audit Committee, are responsible for overseeing the Groups' financial reporting process.

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

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and evaluate the risk of material misstatements due to fraud or error in the Parent Company Only Financial Statements; design and carry out appropriate countermeasures for the evaluated risk; and obtain sufficient and appropriate evidence as the basis for audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal controls 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 controls of the Group.

3. Assess the appropriateness of the accounting policies adopted by the management, as well as the reasonableness of their accounting estimates and relevant disclosures.
4. Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group ability to operate as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall expression, structure and contents of the Parent Company Only Financial Statements (including relevant Notes), and whether the Parent Company Only Financial Statements fairly present relevant transactions and items.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Parent Company Only Financial Statements. We are responsible for the direction, supervision, and performance of the audit and for expressing an opinion on the Group's audits.

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 the key audit matters of the Parent Company Only Financial Statements for the year ended December 31, 2023. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers Taiwan

CPA: CHEN, CHIN-CHANG
TU, PEI-LING

Financial Supervisory Commission
Auditing and Attestation No.: FSC (Sheng) No.
1060025060
Former Securities & Exchange Commission,
Ministry of Finance
Auditing and Attestation No.: (84) Tai-Cai-Cheng (6)
No.13377
March 7, 2024

Wendell Industrial Co., Ltd.
Parent Company Only Balance Sheets
December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

Code	Assets	Note	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 359,693	19	\$ 281,753	15
1110	Current financial assets at fair value through profit or loss	6(2)	77,471	4	-	-
1136	Financial assets at amortized cost	6(3), 8	2,000	-	48,874	3
1150	Notes receivable	6(4)	7,787	-	11,813	1
1170	Accounts receivable	6(4)	390,770	21	346,567	18
1180	Accounts receivable from related parties, net	7	133,702	7	184,658	10
130X	Inventories	6(5)	286,099	15	433,485	23
1470	Other current assets		8,794	1	14,335	1
11XX	Total current assets		<u>1,266,316</u>	<u>67</u>	<u>1,321,485</u>	<u>71</u>
Non-current assets						
1550	Investments accounted for using the equity method	6(6), 7	245,050	13	200,825	11
1600	Property, plant and equipment	6(6)	313,920	16	273,135	15
1755	Right-of-use assets	6(7)	36,630	2	51,883	3
1840	Deferred tax assets	6(19)	16,455	1	9,783	-
1900	Other non-current assets		13,413	1	6,827	-
15XX	Total non-current assets		<u>625,468</u>	<u>33</u>	<u>542,453</u>	<u>29</u>
1XXX	Total assets		<u>\$ 1,891,784</u>	<u>100</u>	<u>\$ 1,863,938</u>	<u>100</u>

(Continue on next page)

Wendell Industrial Co., Ltd.
Parent Company Only Balance Sheets
December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

Code	Assets	Note	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
Current liabilities						
2100	Short-term loans	6(9)	\$ 217,191	11	\$ 114,306	6
2120	Financial liabilities at fair value through profit or loss	6(2)	840	-	1,200	-
2130	Current contract liabilities	6(16)	474	-	595	-
2150	Notes payable		1,004	-	907	-
2170	Accounts payable		123,830	7	187,769	10
2180	Accounts payable from related parties	7	9,171	-	5,404	1
2200	Other accounts payable	6(10)	62,343	3	49,877	3
2220	Other accounts payable from related parties	7	396	-	721	-
2230	Current tax liabilities		35,061	2	29,874	2
2280	Current lease liabilities (Note 13)	6(8)	21,235	1	23,461	1
2320	Long-term liabilities - current portion	6(11)	389,078	21	-	-
2399	Other current liabilities - other		2,011	-	2,618	-
21XX	Total current liabilities		<u>862,634</u>	<u>45</u>	<u>416,732</u>	<u>23</u>
Non-current liabilities						
2530	Bonds payable	6(11)	-	-	381,825	20
2570	Deferred tax liabilities	6(20)	13,508	1	12,788	1
2580	Non-current lease liabilities	6(8)	16,526	1	30,235	2
2600	Other non-current liabilities	6(12)	5,437	-	7,108	-
25XX	Total non-current liabilities		<u>35,471</u>	<u>2</u>	<u>431,956</u>	<u>23</u>
2XXX	Total liabilities		<u>898,105</u>	<u>47</u>	<u>848,688</u>	<u>46</u>
Equity						
Share						
3110	Ordinary share	6(13)	251,049	13	239,085	13
Capital surplus						
3200	Capital surplus	6(14)	326,681	17	326,595	17
Retained earnings						
3310	Legal reserve	6(15)	83,425	5	63,986	4
3320	Special reserve		-	-	4,196	-
3350	Unappropriated retained earnings		334,846	18	380,383	20
Other equity						
3400	Other equity		(2,322)	-	1,005	-
3XXX	Total equity		<u>993,679</u>	<u>53</u>	<u>1,015,250</u>	<u>54</u>
Significant contingent liabilities and unrecognized contract commitments						
Significant subsequent events						
3X2X	Total liabilities and equity		<u>\$ 1,891,784</u>	<u>100</u>	<u>\$ 1,863,938</u>	<u>100</u>

The accompanying notes constitute part of the parent company only financial statements.

Wendell Industrial Co., Ltd.
Parent Company Only Statements of Comprehensive Income
December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars,
except for EPS in New Taiwan Dollars

Item	Note	2023		2022	
		Amount	%	Amount	%
4000 Operating revenue	6(16), 7	\$ 1,483,623	100	\$ 1,690,873	100
5000 Operating costs	6(5), (19) & 7	(1,086,542)	(73)	(1,233,305)	(73)
5900 Gross profit		397,081	27	457,568	27
5910 Unrealized gross profit		9,438	(1)	(11,019)	(1)
5920 Realized gross profit		11,019	1	6,783	1
5950 Gross profit, net		398,662	27	453,332	27
Operating expenses	6(19), 7				
6100 Selling expenses		(100,954)	(7)	(97,592)	(6)
6200 Administrative expenses		(149,462)	(10)	(146,264)	(8)
6300 Research and development expenses		(14,561)	(1)	(13,164)	(1)
6450 Impairment loss determined in accordance with IFRS 9	6(4)	(469)	-	426	-
6000 Total operating expenses		(265,446)	(18)	(256,594)	(15)
6900 Net operating income		133,216	9	196,738	12
Non-operating income and expenses					
7100 Interest income		6,473	-	1,950	-
7010 Other income		2,078	-	934	-
7020 Other gains and losses	6(17)	(2,930)	-	30,683	2
7050 Finance costs	6(18)	(17,030)	(1)	(10,262)	-
7070 Profit (loss) share of subsidiaries, affiliated enterprises and joint ventures recognized using the equity method	6(6)	6,444	-	20,765	1
7000 Total non-operating income and expenses		(4,965)	-	44,070	3
7900 Profit from continuing operations before tax		128,251	9	240,808	15
7950 Tax expense	6(20)	(26,922)	(2)	(47,420)	(3)
8200 Profit (loss)		<u>\$ 101,329</u>	<u>7</u>	<u>\$ 193,388</u>	<u>12</u>
Other comprehensive income (net)					
Items that will not be reclassified subsequently to profit or loss:					
8311 Gains (losses) on remeasurements of defined benefit plans	6(12)	\$ 1,534	-	\$ 454	-
8330 Share of the other comprehensive income of associates accounted for using the equity method	6(6)	731	-	547	-
Items that may be reclassified subsequently to profit or loss					
8361 Exchange differences on translation of financial statements of overseas operations	6(6)	(3,327)	-	5,201	-
8300 Other comprehensive income (net)		<u>(\$ 1,062)</u>	<u>-</u>	<u>\$ 6,202</u>	<u>-</u>
8500 Total comprehensive income		<u>\$ 100,267</u>	<u>7</u>	<u>\$ 199,590</u>	<u>12</u>
Earnings per share	6(21)				
9750 Total basic earnings per share		\$	4.04	\$	7.70
9850 Total diluted earnings per share		\$	3.58	\$	7.18

The accompanying notes constitute part of the parent company only financial statements.

Wendell Industrial Co., Ltd.
Parent Company Only Statements of Changes in Equity
December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

	Note	Equity attributed to owners of parent					Exchange differences on translation of financial statements of overseas operations	Total
		Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings		
2022								
Balance at January 1		\$ 239,085	\$ 305,468	\$ 45,186	\$ 550	\$ 347,109	(\$ 4,196)	\$ 933,202
Net profit in the current period		-	-	-	-	193,388	-	193,388
Other comprehensive income in the current period		-	-	-	-	1,001	5,201	6,202
Total comprehensive income in the current period		-	-	-	-	194,389	5,201	199,590
Earnings Assignment and Distribution in 2021	6(15)							
Legal reserve		-	-	18,800	-	(18,800)	-	-
Special reserve		-	-	-	3,646	(3,646)	-	-
Cash dividends		-	-	-	-	(138,669)	-	(138,669)
Issuance of corporate bonds	6(11)(14)	-	21,127	-	-	-	-	21,127
Balance at December 31		<u>\$ 239,085</u>	<u>\$ 326,595</u>	<u>\$ 63,986</u>	<u>\$ 4,196</u>	<u>\$ 380,383</u>	<u>\$ 1,005</u>	<u>\$ 1,015,250</u>
2023								
Balance at January 1		\$ 239,085	\$ 326,595	\$ 63,986	\$ 4,196	\$ 380,383	\$ 1,005	\$ 1,015,250
Net profit in the current period		-	-	-	-	101,329	-	101,329
Other comprehensive income in the current period		-	-	-	-	2,265	(3,327)	(1,062)
Total comprehensive income in the current period		-	-	-	-	103,594	(3,327)	100,267
Earnings Assignment and Distribution in 2022	6(15)							
Legal reserve		-	-	19,439	-	(19,439)	-	-
Special reserve		-	-	-	(4,196)	4,196	-	-
Cash dividends		-	-	-	-	(121,934)	-	(121,934)
Stock dividends		11,954	-	-	-	(11,954)	-	-
Conversion of convertible corporate bonds	6(11)(14)	10	86	-	-	-	-	96
Balance at December 31		<u>\$ 251,049</u>	<u>\$ 326,681</u>	<u>\$ 83,425</u>	<u>\$ -</u>	<u>\$ 334,846</u>	<u>(\$ 2,322)</u>	<u>\$ 993,679</u>

The accompanying notes constitute part of the parent company only financial statements.

Wendell Industrial Co., Ltd.
Parent Company Only Statements of Cash Flows
December 31, 2023 and 2022

	Note	Unit: In Thousands of New Taiwan Dollars	
		2023	2022
<u>Cash flows from operating activities, indirect method</u>			
Profit before tax		\$ 128,251	\$ 248,808
Adjustment items			
Adjustments to reconcile profit (loss)			
Unrealized gross profit		9,438	11,019
Realized gross profit		(11,019)	(6,783)
Depreciation expense	6(19)	36,606	39,083
Amortization expense	6(19)	1,203	626
Expected credit loss	6(4)	469	(426)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	6(17)	(1,956)	1,240
Interest	6(18)	17,030	10,262
Interest income		(6,473)	(1,950)
Profit and loss share of subsidiaries, affiliated enterprises and joint ventures recognized using the equity method	6(6)	(6,444)	(20,765)
Loss (gain) on disposal of property, plant and equipment		-	132
Profit from lease modification		(58)	(72)
Unrealized foreign currency exchange loss		801	-
Changes in operating assets and liabilities			
Total changes in operating assets			
Financial assets measured at fair value through profit or loss		(76,676)	-
Notes receivable		4,027	4,143
Accounts receivable		(44,673)	19,880
Accounts receivable - related parties		50,956	(37,507)
Inventories		147,386	(19,222)
Other current assets		7,288	1,161
Total changes in operating liabilities			
Contract liabilities - current		(121)	595
Notes payable		97	(23,335)
Accounts payable		(63,939)	4,660
Accounts payable - related parties		3,767	(6,391)
Other accounts payable		2,659	3,500
Other accounts payable - related parties		(325)	204
Other current liabilities - other		(607)	(261)
Net defined benefit liability		3	(1)
Cash generated from operations		197,690	220,600
Interest collected		4,726	1,950
Interest paid		(10,653)	(6,199)
Income tax paid		(27,687)	(47,169)
Net cash generated from operating activities		164,076	169,182

(Continue on next page)

Wendell Industrial Co., Ltd.
Parent Company Only Statements of Cash Flows
December 31, 2023 and 2022

	Note	Unit: In Thousands of New Taiwan Dollars	
		2023	2022
<u>Cash flows from investing activities</u>			
Financial assets measured at amortized cost - Decrease in current assets		46,874	14,996
Investments using the equity method	7	(40,000)	-
Cash dividends distributed from investments using the equity method		1,204	2,408
Acquisition of property, plant and equipment	6(22)	(42,420)	(245,501)
Acquisition of intangible assets		(2,669)	(888)
Decrease (increase) in refundable deposits		(5,121)	1,305
Net cash used in investing activities		(42,132)	(227,680)
<u>Cash flows from financing activities</u>			
Increase (decrease) in short-term loans	6(23)	102,885	(85,232)
Issuance of corporate bonds payable	6(23)	-	398,849
(Decrease) increase in Guarantee deposits paid	6(23)	(140)	140
Payments of lease liabilities	6(23)	(24,815)	(23,499)
Cash dividends paid	6(15)	(121,934)	(138,669)
Net cash generated from (used in) financing activities		(44,004)	151,589
Net increase in cash and cash equivalents		77,940	93,091
Cash and cash equivalents at beginning of period		281,753	188,662
Cash and cash equivalents at end of period		\$ 359,693	\$ 281,753

The accompanying notes constitute part of the parent company only financial statements.

Wendell Industrial Co., Ltd.
Surplus Appropriation Statement
2023

Item	Unit: NT\$
Beginning undistributed surplus	\$ 231,252,498
Net profit after tax	\$ 101,329,114
Changed amount of gains (losses) on remeasurements of defined benefit plans	2,264,306
Amount of net profit after tax for the current period added the paragraphs other than net profit after tax for the current period included in the current year's undistributed surplus	103,593,420
Withdrawal of legal reserve (10%)	(10,359,342)
Withdrawal of special surplus reserve (Shareholders' equity minus- Exchange Differences on Translating the Financial Statements of Foreign Operations)	(2,322,718)
Surplus available for distribution in the current period	322,163,858
Distribution paragraphs:	
Shareholder dividends - stock	0
Shareholder dividends - cash	(120,419,768) (120,419,768)
Ending undistributed surplus	\$ 201,744,090

Wendell Industrial Co., Ltd.
**Comparison Table of Provisions of Rule of Procedure of Shareholders’
Meeting before and after Amendment**

Provision	Before amendment	After amendment	Reason therefor
Article 2	Unless otherwise provided by law or regulation, the Company’s Shareholders’ Meetings shall be convened by the board of directors. Omitted below.	Unless otherwise provided by law or regulation, the Company’s Shareholders’ Meetings shall be convened by the board of directors. <u>A virtual shareholders’ meeting convened by the Company, unless otherwise stipulated in the Regulations Governing the Administration of Shareholder Services of Public Companies, shall be specified in the articles of association and resolved by the board of directors.</u> <u>Besides, the virtual shareholders’ meeting shall be convened with the attendance of more than two thirds of directors of the board of directors and the resolution of more than half number of attending directors.</u> Omitted below.	In response to the revision of relevant law or regulation
Article 5-1	To convene a virtual shareholders’ meeting, the Company shall include the follow particulars in the shareholders’ meeting notice: Paragraphs 1 and 2 omitted 3. To convene a virtual-only shareholders’ meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders’ meeting online shall be specified.	To convene a virtual shareholders’ meeting, the Company shall include the follow particulars in the shareholders’ meeting notice: Paragraphs 1 and 2 omitted 3. To convene a virtual-only shareholders’ meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders’ meeting online shall be specified. <u>Except the circumstances stipulated in Article 44-9, paragraph 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, at least connection equipment and necessary assistance shall be provided to shareholders, and the period for shareholders to apply to the Company and other relevant precautions shall be specified.</u>	In response to the revision of relevant law or regulation
Article 21	When convening a virtual-only shareholders’ meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders’ meeting online.	When convening a virtual-only shareholders’ meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders’ meeting online. <u>Except the circumstances stipulated in Article 44-9, paragraph 6 of the Regulations Governing the Administration of Shareholder</u>	In response to the revision of relevant law or regulation

Provision	Before amendment	After amendment	Reason therefor
		<u>Services of Public Companies, at least connection equipment and necessary assistance shall be provided to shareholders, and the period for shareholders to apply to the Company and other relevant precautions shall be specified.</u>	
Article 22	<p>These Rules were established on June 19, 2019 and implemented after being approved by the Shareholders' Meeting.</p> <p>The first amendment to these Rules was approved by the Shareholders' Meeting for implementation on November 12, 2019.</p> <p>The second amendment to these Rules was approved by the Shareholders' Meeting for implementation on June 11, 2020.</p> <p>The third amendment to these Rules was approved by the Shareholders' Meeting for implementation on July 8, 2021.</p> <p>The fourth amendment to these Rules was approved by the Shareholders' Meeting for implementation on May 30, 2023.</p>	<p>These Rules were established on June 19, 2019 and implemented after being approved by the Shareholders' Meeting.</p> <p>The first amendment to these Rules was approved by the Shareholders' Meeting for implementation on November 12, 2019.</p> <p>The second amendment to these Rules was approved by the Shareholders' Meeting for implementation on June 11, 2020.</p> <p>The third amendment to these Rules was approved by the Shareholders' Meeting for implementation on July 8, 2021.</p> <p>The fourth amendment to these Rules was approved by the Shareholders' Meeting for implementation on May 30, 2023.</p> <p><u>The fifth amendment to these Rules was approved by the Shareholders' Meeting for implementation on June 18, 2024.</u></p>	Addition of revision records

Wendell Industrial Co., Ltd.
Comparison Table of Provisions of Rules of Procedure of Board of Directors
before and after Amendment

Provision	Before amendment	After amendment	Reason therefor
Article 11	<p>The Company shall declare the convening of a board of directors meeting immediately when the schedule meeting time arrives and more than half of all directors are present. If less than half of all directors are present, the chairperson may declare a postponement of the meeting with a limit of two postponements. If the required quorum is still not sufficient after two postponements, the chairperson may reconvene the meeting again according to the procedures stipulated in Paragraph 2, Article 3. After the chairperson declares the postponement of the meeting, it shall reconvene the meeting according to the procedures stipulated in Article 3 before the meeting can be convened again.</p> <p>The term “all directors” mentioned in the preceding paragraph and Paragraph 2, Article 15-2 shall be calculated per the actual incumbents.</p>	<p>The Company shall declare the convening of a board of directors meeting immediately when the schedule meeting time arrives and more than half of the directors are present. If less than half of the directors are present, the chairperson may declare a postponement of the meeting <u>one the present day</u> with a limit of two postponements. If the required quorum is still not sufficient after two postponements, the chairperson may reconvene the meeting again according to the procedures stipulated in Paragraph 2, Article 3. After the chairperson declares the postponement of the meeting, it shall reconvene the meeting according to the procedures stipulated in Article 3 before the meeting can be convened again.</p> <p>The term “all directors” mentioned in the preceding paragraph and Paragraph 2, Article 15-2 shall be calculated per the actual incumbents.</p>	In response to the revision of relevant law or regulation
Article 12	<p>The proposals discussed at the board of directors meeting of the Company shall be proceeded according to the agenda scheduled in the meeting notice in principle. However, such proposals may be changed with the consent from the majority of the directors present.</p> <p>The chairperson shall not declare the adjournment of the agenda scheduled in the preceding paragraph without resolution until the conclusion of the deliberations (including temporary motions).</p> <p>During the meeting, the chairperson may announce breaks or consultations as deemed appropriate.</p> <p>During the proceeding of the board of directors meeting, if the number of directors present does not reach a majority of the attending directors, the chairperson may declare the suspension of the meeting based on the proposal from the directors present, and the provisions of the preceding article shall apply mutatis mutandis.</p>	<p>The proposals discussed at the board of directors meeting of the Company shall be proceeded according to the agenda scheduled in the meeting notice in principle. However, such proposals may be changed with the consent from the majority of the directors present.</p> <p>The chairperson shall not declare the adjournment of the agenda scheduled in the preceding paragraph without resolution until the conclusion of the deliberations (including temporary motions).</p> <p>During the meeting, the chairperson may announce breaks or consultations as deemed appropriate.</p> <p>During the proceeding of the board of directors meeting, if the number of directors present does not reach a majority of the attending directors, the chairperson may declare the suspension of the meeting based on the proposal from the directors present, and the provisions of the preceding article shall apply mutatis mutandis.</p> <p><u>During the proceeding of the board of directors meeting, if the chairperson is unable to preside over the meeting due to certain reasons, or fails to declare the adjournment as set forth in Paragraph 2,</u></p>	In response to the revision of relevant law or regulation

Provision	Before amendment	After amendment	Reason therefor
		<u>the election and appointment of the chairperson's proxy shall accord with the provisions of Paragraph 3, Article 10.</u>	
Article 18	<p>These Rules of Procedure shall be established with the consent of the board of directors and reported to the Shareholders' Meeting. The board of directors is authorized to make resolutions on future amendments hereto if any.</p> <p>Matters not mentioned herein shall be handled according to relevant laws and regulations.</p> <p>The establishment of these Rules of Procedure was approved by the board of directors on August 15, 2018 and reported to the Shareholders Meeting on June 19, 2019 before implementation.</p> <p>The first amendment was approved by the board of directors on October 3, 2019, and reported to the Interim Shareholders' Meeting on November 12, 2019 before implementation.</p> <p>The second amendment was approved by the board of directors on March 20, 2020.</p> <p>The third amendment was approved by the board of directors on August 12, 2020.</p> <p>The fourth amendment was approved by the board of directors on April 26, 2021.</p> <p>The fifth amendment was approved by the board of directors on March 8, 2023.</p>	<p>These Rules of Procedure shall be established with the consent of the board of directors and reported to the Shareholders' Meeting. The board of directors is authorized to make resolutions on future amendments hereto if any.</p> <p>Matters not mentioned herein shall be handled according to relevant laws and regulations.</p> <p>The establishment of these Rules of Procedure was approved by the board of directors on August 15, 2018 and reported to the Shareholders Meeting on June 19, 2019 before implementation.</p> <p>The first amendment was approved by the board of directors on October 3, 2019, and reported to the Interim Shareholders' Meeting on November 12, 2019 before implementation.</p> <p>The second amendment was approved by the board of directors on March 20, 2020.</p> <p>The third amendment was approved by the board of directors on August 12, 2020.</p> <p>The fourth amendment was approved by the board of directors on April 26, 2021.</p> <p>The fifth amendment was approved by the board of directors on March 8, 2023.</p> <p><u>The sixth amendment was approved by the board of directors on March 7, 2024.</u></p>	Addition of revision records

Wendell Industrial Co., Ltd.

Comparison Table of Provisions of Procedures for Integrity Management and Guidelines for Conduct before and after Amendment

Provision	Before amendment	After amendment	Reason therefor
Article 5	The Company designates <u>Auditing Office</u> as the dedicated unit (hereinafter referred to as the dedicated unit of the Company). <u>The dedicated unit is subordinate to the board of directors.</u> Also, sufficient resources and adequate personnel are allocated to handle relevant operations including revision, execution, interpretation, and consulting services of the Procedures for Integrity Management and Guidelines for Conduct, as well as registration and filing of notified contents, and supervise the execution thereof. The dedicated unit is mainly responsible for the following matters, and shall regularly report to the board of directors (at least once every year): Omitted below	The Company designates <u>Legal Affairs Office</u> as the dedicated unit (hereinafter referred to as the dedicated unit of the Company). Also, sufficient resources and adequate personnel are allocated to handle relevant operations including revision, execution, interpretation, and consulting services of the Procedures for Integrity Management and Guidelines for Conduct, as well as registration and filing of notified contents, and supervise the execution thereof. The dedicated unit is mainly responsible for the following matters, and shall regularly report to the board of directors (at least once every year): Omitted below	Revised according to the practical operations
Article 6	When the personnel of the Company directly or indirectly provide, accept, promise or require the interests stipulated in Article 4, unless under the circumstances listed below, they shall comply with the provisions of "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and the Procedures for Integrity Management and Guidelines for Conduct and may adopt the aforesaid behaviors only after following relevant procedures: Paragraphs 1-5 omitted 6. The market value of money, property or other interests provided to or accepted from relatives or close friends shall be below NT\$ <u>2,000</u> ; or the total market value of the gifts presented from others to most of the Company's personnel shall be below NT\$ <u>2,000</u> . However, the total market value of property provided to a same object, or accepted from a same source in the same year shall be limited to NT\$ <u>2,000</u> . 7. The market value of the property accepted on occasions of engagement, marriage, childbirth, relocation, employment, promotion, retirement, resignation, severance as well as	When the personnel of the Company directly or indirectly provide, accept, promise or require the interests stipulated in Article 4, unless under the circumstances listed below, they shall comply with the provisions of "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and the Procedures for Integrity Management and Guidelines for Conduct and may adopt the aforesaid behaviors only after following relevant procedures: Paragraphs 1-5 omitted 6. The market value of money, property or other interests provided to or accepted from relatives or close friends shall be below NT\$ <u>3,000</u> ; or the total market value of the gifts presented from others to most of the Company's personnel shall be below NT\$ <u>3,000</u> . However, the total market value of property provided to a same object, or accepted from a same source in the same year shall be limited to NT\$ <u>9,000</u> . 7. The market value of the property accepted on occasions of engagement, marriage, childbirth, relocation, employment, promotion, retirement, resignation, severance as well as	Revised according to the practical operations

Provision	Before amendment	After amendment	Reason therefor
	injury or death of oneself, spouse, or direct relatives shall not exceed NT\$ <u>6,000</u> . 8. Other circumstances that comply with the provisions of the Company.	injury or death of oneself, spouse, or direct relatives shall not exceed NT\$ <u>60,000</u> . 8. Other circumstances that comply with the provisions of the Company.	
Article 9	The Company's provision of political contribution shall be handled according to the following provisions. It shall be submitted to <u>CEO</u> for approval and notified to the dedicated unit of the Company. If the amount of the political contribution exceeds <u>NT\$ ___</u> , it shall be submitted to the board of directors for approval before implementation: Omitted below	The Company's provision of political contribution shall be handled according to the following provisions. It shall be submitted to <u>Chairman</u> for approval and notified to the dedicated unit of the Company. If the amount of the political contribution exceeds <u>NT\$ 2,000,000</u> , it shall be submitted to the board of directors for approval before implementation: Omitted below	Revised according to the practical operations
Article 10	The Company's provision of charitable donations or sponsorships shall be handled according to the following provisions. Such donations or sponsorships shall be submitted to the Chairman for approval and notified to the dedicated unit of the Company. If the amount exceeds NT\$ <u>1,500,000</u> , it shall be submitted to the board of directors for approval before implementation: Omitted below	The Company's provision of charitable donations or sponsorships shall be handled according to the following provisions. Such donations or sponsorships shall be submitted to the Chairman for approval and notified to the dedicated unit of the Company. If the amount exceeds NT\$ <u>3,000,000</u> , it shall be submitted to the board of directors for approval before implementation: Omitted below	Revised according to the practical operations
Article 21	A whistleblower shall provide at least the following information: 1. Name and <u>ID card number</u> of the whistleblower (anonymous whistleblowing is also available), as well as address, telephone number and email that can be used to reach the whistleblower. Paragraphs 2-3 omitted Relevant personnel of the Company in charge of handling the whistleblowing incidents shall make a written statement that the whistleblowers' identity and reported contents remain confidential. The Company also undertakes to protect the whistleblowers from being improperly disposed due to whistleblowing incidents. The dedicated unit of the Company shall handle the whistleblowing incidents according to the following procedures: 1. If a whistleblowing incident involves general employees, it shall be <u>reported to the department supervisor</u> . If a whistleblowing incident involves directors or senior management, it shall be reported to	A whistleblower shall provide at least the following information: 1. Name and ID card number of the whistleblower (anonymous whistleblowing is also available), as well as address, telephone number and email that can be used to reach the whistleblower. Paragraphs 2-3 omitted Relevant personnel of the Company in charge of handling the whistleblowing incidents shall make a written statement that the whistleblowers' identity and reported contents remain confidential. The Company also undertakes to protect the whistleblowers from being improperly disposed due to whistleblowing incidents. The dedicated unit of the Company shall handle the whistleblowing incidents according to the following procedures: 1. If a whistleblowing incident involves general employees, it shall be <u>reported to the general manager</u> . If a whistleblowing incident involves directors or senior management, it shall be reported to the independent	Revised according to the practical operations

Provision	Before amendment	After amendment	Reason therefor
	<p>the independent directors.</p> <p>2. <u>The dedicated unit of the Company and the supervisor or personnel reported to in the preceding paragraph</u> shall immediately find out relevant facts. The regulatory compliance department or other relevant departments may provide assistance as necessary.</p>	<p>directors.</p> <p>2. <u>The dedicated personnel or unit assigned by the general manager to accept and handle whistleblowing incidents</u> shall immediately find out relevant facts. The regulatory compliance department or other relevant departments may provide assistance as necessary.</p>	
Article 24	<p>Implementation</p> <p>The Procedures for Integrity Management and Guidelines for Conduct may be implemented after being approved by the board of directors with relevant resolution, and shall be reported to the Shareholders' Meeting, which also applies upon amendments.</p> <p>The Procedures for Integrity Management and Guidelines for Conduct were established on March 20, 2020.</p>	<p>Implementation</p> <p>The Procedures for Integrity Management and Guidelines for Conduct may be implemented after being approved by the board of directors with relevant resolution, and shall be reported to the Shareholders' Meeting, which also applies upon amendments.</p> <p>The Procedures for Integrity Management and Guidelines for Conduct were established on March 20, 2020.</p> <p><u>The first amendment will be submitted to the Shareholders' Meeting on June 18, 2024.</u></p>	Addition of revision records

Wendell Industrial Co., Ltd. Articles of Incorporation

Chapter 1 General

- Article 1. The Company shall be incorporated under the Company Act of Republic of China, and the name shall be Wendell Industrial Co., Ltd.
- Article 2. The scope of business of the corporation shall be as follows:
- | | | |
|-----|---------|--|
| 001 | F119010 | Wholesale of Electronic Materials |
| 002 | F113010 | Wholesale of Machinery |
| 003 | F113020 | Wholesale of Electrical Appliances |
| 004 | F113030 | Wholesale of Precision Instruments |
| 005 | F118010 | Wholesale of Computer Software |
| 006 | F219010 | Retail Sale of Electronic Materials |
| 007 | F213010 | Retail Sale of Electrical Appliances |
| 008 | F213040 | Retail Sale of Precision Instruments |
| 009 | F218010 | Retail Sale of Computer Software |
| 010 | F401010 | International Trade |
| 011 | CC01080 | Electronics Components Manufacturing |
| 012 | F107200 | Wholesale of Chemical Feedstock |
| 013 | F107990 | Wholesale of Other Chemical Products |
| 014 | ZZ99999 | All business activities that are not prohibited or restricted by law, except those that are subject to special approval. |
- Article 2-1. The Corporation may have investment on other businesses and the investment ratio may not be subject to article 13 of the Company Act.
- Article 2-2. The Corporation may provide guarantee to others as necessary for the businesses, which shall be managed in accordance with Procedures for the Endorsement/Guarantee of the Corporation.
- Article 3. The Corporation has its headquarters in New Taipei City and may set up domestic or overseas branches or offices through board resolutions as required. The establishment or closure of the branches office shall be managed upon the resolutions of the Board of Directors.
- Article 4. Public announcements of the Corporation shall be made in accordance with Article 28 of the Company Act.

Chapter 2 Shares

- Article 5. The Corporation's total capital is fixed at NT\$600,000,000, divided into 60,000,000 shares, with a face value of NT\$10 per share; The Board of Directors is authorized to issue the remaining unissued shares as necessary for the business. NT\$20,000,000 dollars among the total capital aforesaid, divided into 2,000,000 shares at 10 New Taiwan Dollars each are reserved for employee stock warrants, may be issued in installment upon the resolutions of the Board of Directors.

- Article 6. The share certificates of the Corporation shall be signed or sealed by directors representing the Corporation, and shall be issued after authenticated by the underwriting bank for the issuance of shares pursuant to laws. The Corporation may be exempted from printing the stocks. However, the registration shall be made to centralized securities depository enterprises in accordance with regulations of said institution.
- Article 7. No transfer of share certificates shall be permitted within 60 days prior to a regular meeting of shareholders, 30 days prior to a special meeting of shareholders, or within 5 days prior to the record day on which dividend, bonus, or any other benefit is scheduled to be paid by the Company.
- Article 7-1. The stock affairs of the Corporation shall be managed in accordance with relevant regulations of the competent authorities.

Chapter 3 Shareholders' Meetings

- Article 8. Shareholders' meetings are divided into ordinary shareholders' meetings and extraordinary shareholders' meetings. Ordinary shareholders' meetings are held once a year in accordance with the law within six months from the end of each accounting year. Extraordinary meetings are held as required in accordance with the law. The Corporation may hold shareholders' meetings by video conference or in another manner publicly announced by the central competent authority. After the Corporation is listed (TPEX), the electronic means shall be included as one method of shareholders to exercise voting rights. Shareholders exercising voting rights in electronic format shall be deemed to have attended the shareholders' meeting in person. Matters related to such exercise shall be in accordance with current legislation.
- Article 8-1. After the shares of the Corporation is offered on public, the notice of date, place and reason for convention of regular shareholders meeting shall be given to all shareholders in thirty (30) days, and fifteen (15) days for special shareholders meeting. The notice of shareholders meeting may be made via electronic manner against the consent of opponent party. Aiming at shareholders holding name-bearing shares less than 1000, preceding notice may be made via announcement.
- Article 9. In case a shareholder is unable to attend a shareholders' meeting in person, a shareholder may issue a power of attorney and specifying the scope of authorization, to designate another person to attend the meeting on his or her behalf. In addition to article 177 of the Company Act, the Corporation shall manage the proxy in accordance with "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies".
- Article 9-1. The Chairman of the Board of Directors shall preside over the shareholders' meetings. In case that Chairman is absent or is unable to exercise his/her duties, the Vice Chairman shall be act on his/her behalf. If it is not appointed, the Directors shall recommend one among them for proxy. If person other than members of the Board convenes the shareholders

meeting, the chairperson shall be served by said person entitled to the convention. For two or more persons entitled to the convention, they shall recommend one among them as the Chairperson.

- Article 10. Each shareholder is entitled to one vote for each share held. The shares as regulated in article 179 of the Company Act are not entitled to the vote.
- Article 11. Unless otherwise provided by the Company Act, resolutions of shareholders' meetings shall be approved by shareholders representing the majority of voting rights in a meeting that is attended by shareholders representing the majority of all outstanding shares.
- Article 11-1. Resolutions in shareholders' meetings shall be recorded in minutes, which shall be signed or seal by the Chairperson and distributed to all shareholders within 20 days after the meeting. The preparation and distribution of the minutes of shareholders' meeting as required in the preceding Paragraph may be effected by means of electronic transmission. The distribution of meeting minute may be made via announcement.
- Article 12. If the Corporation intends to cancel the public offering, in addition to the approval of the Board, it shall not be made unless there is special resolution made by the shareholders meeting.

Chapter 4 Directors and Audit Committee

- Article 13. The Corporation has 5-9 directors, serving terms of three years, to be elected under the candidate nomination system in a shareholders' meeting from the nominating listed, a director may be re-elected. The nomination system shall be adopted for the election of the directors of the Corporation in accordance with Article 192-1 of the Company Act, and the shareholders shall elected them from the candidate list. The Corporation may elect independent directors among preceding list, at least three directors and at least 1/5 of board seats shall be independent directors. The candidate nomination system is adopted, and the independent directors shall be elected by the shareholders meeting from the candidate list of independent directors. Regulations governing the professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination, and other matters for compliance with respect to independent directors shall be prescribed by the Competent Authority.
- Article 13-1. The accumulative voting system is adopted for the election of directors of the Corporation. Each share shall have the voting right equal to the number of directors to be elected, which may be vote collectively for one person or certain number of persons separately. The election of independent and non-independent directors shall be made altogether and the elected list shall be calculated separately.
- Article 14. The board of directors is composed of directors. One Chairman and one Vice Chairman shall be elected by majority directors present at a meeting attended by two-third or more of the total number of directors. The Chairman shall externally represent the company, the first

meeting of each term of the board of directors shall be convened by the director who received a ballot representing the largest number of votes at the election of directors. The Chairman shall convene the board meeting. The Chairman shall preside over the Board meetings. When the chair is on leave or cannot exercise his or her duties due to any reason, representation shall be implemented in accordance with Article 208 of the Company Act. Notice for board meetings may be given in writing, by e-mail or by fax.

Article 14-1. Directors shall attend meetings of the Board of Directors in person. If a director is unavailable to attend a meeting in person, the director may issue a proxy specifying the scope of the authorized powers to authorize another director to attend the meeting on the director's behalf, The agent shall be subject to one director only. If the board meeting is made via video conference, those directors attending the meeting via video conference will be deemed as attendance in person.

Article 14-2. (Deleted)

Article 15. When the chair is on leave or cannot exercise his or her duties due to any reason, representation shall be implemented in accordance with Article 208 of the Company Act.

Article 16. The directors of the Corporation may collect travel fee as the case may be. The Corporation may compensate the directors for performing duties of the Corporation regardless of profit or loss. The Board of Directors is authorized to determine the compensation based on the degree of their participation to company operation and value of contribution as well as referring to the stands in the industry. Where there is profit of the Corporation, the compensation may be distributed in accordance with article 20 herein otherwise. The Company may purchase liability insurance to cover the directors for the liabilities they shall be responsible while performing their duties.

Article 16-1. The Corporation has established the Audit Committee in accordance with article 14-4 of the Company Act. The members of Audit Committee shall comprise of all independent directors and shall be at least three persons. One among them shall be the convener and at least one shall be specialized in accounting or finance. The performance of duties and relevant matters of Audit Committee and its members shall be managed in accordance Securities Exchange Act and relevant laws and regulations. In order to complete supervision functions and consolidate management mechanism, the Remuneration Committee or other functional committees may be established.

Chapter 5 Managers

Article 17. The Corporation may have multiple managers. The hiring, dismissal and remuneration of these persons shall be implemented in accordance with Article 29 of the Company Act.

Chapter 6 Accounting

- Article 18. The Corporation at the end of each accounting year, the board of directors shall prepare the (1)business report, (2)financial statements, (3)profit distribution or loss compensation proposals, etc., and then submit them to the ordinary shareholders' meeting for approval.
- Article 19. (Deleted)
- Article 20. If the Corporation makes a profit in annual closing, (Where there is profit before deducting the compensation to employees and directors from the earnings covering the accumulated losses), for amount after deducting the accumulated loss, the Corporation shall set aside more than 1.5% of the profit as compensation to employees and up to 3% of profit as compensation to directors and supervisors. Preceding compensation to employees may be made by stocks or cash and the subjects of distribution may include employees of controlled companies or subsidiaries who satisfy certain conditions. Such conditions shall be determined by the Board. The compensation to directors shall be made by cash only.
- Article 20-1. If the Corporation makes a profit in annual closing, taxes shall be paid first and accumulated losses shall be compensated, following which 10% shall be provisioned as a legal reserve, except if the legal reserve as reached the amount of the Corporation's paid-in capital. The rest shall be used to provide or recycle a special reserve in accordance with the law. The amount remaining, if any, shall be combined with accumulated non-distributed profits, subject to a profit distribution proposal to be prepared by the board of directors, which shall be submitted to the shareholders' meeting for resolution to distribute shareholder dividends and bonuses. In cooperated with current and future development plan, considering the investment environment, capital requirements, domestic and oversea competition conditions as well as considering the interests of shareholders, the Corporation shall set aside at least 10% of preceding distributable earnings for dividend or bonus to shareholders, which may be distributed by cash or stock. Among them, the cash dividend shall be at least 10% of the total dividend.
- Article 20-2. The subjects of treasury stocks bought by the Corporation in accordance with Company Act may include employees of controlled companies or subsidiaries who satisfy certain conditions.
- The subjects of employee stock options of the Corporation may include employees of controlled companies or subsidiaries who satisfy certain conditions.
- The subjects of subscription of new shares issued by the Corporation may include employees of controlled companies or subsidiaries who satisfy certain conditions.
- The subjects of employee restricted stocks of the Corporation may include employees of controlled companies or subsidiaries who satisfy certain conditions.

Chapter 7 Supplementary Provisions

Article 21. With regard to all matters not provided for in these Articles of Incorporation, the Company Law of the Republic of China shall govern.

Article 22. These Articles of Incorporation were established on June 11, 1977.

The first amendment was on July 23, 1979.

The second amendment was on November 8, 1980.

The third amendment was on June 21, 1993.

The fourth amendment was on August 25, 1997.

The fifth amendment was on January 30, 2001.

The sixth amendment was on December 6, 2001.

The seventh amendment was on June 27, 2003.

The eighth amendment was on March 10, 2004.

The ninth amendment was on June 24, 2004.

The tenth amendment was on July 12, 2004.

The eleventh amendment was on December 29, 2004.

The twelfth amendment was on September 12, 2005.

The thirteenth amendment was on September 12, 2005.

The fourteenth amendment was on August 16, 2006.

The fifteenth amendment was on January 8, 2007.

The sixteenth amendment was on November 8, 2007.

The seventeenth amendment was on October 2, 2008.

The eighteenth amendment was on May 31, 2010.

The nineteenth amendment was on July 28, 2010.

The twentieth amendment was on September 20, 2011.

The twenty-first amendment was on January 12, 2016.

The twenty-second amendment was on March 11, 2016.

The twenty-third amendment was on June 20, 2016.

The twenty-fourth amendment was on May 3, 2017.

The twenty-fifth amendment was on June 27, 2018.

The twenty-sixth amendment was on June 19, 2019.

The twenty-seventh amendment was on November 12, 2019.

The twenty-eighth amendment was on June 11, 2020.

The twenty-ninth amendment was on June 16, 2022.

The thirty amendment was on May 30, 2023.

Wendell Industrial Co., Ltd.

Chairman: KAO, CHIH-HUNG

Wendell Industrial Co., Ltd.

Rule of Procedure of Shareholders' Meeting

Article 1. Shareholders' Meeting of the Company shall be held in accordance with this Rule unless otherwise provided for by law or Articles of Incorporation.

Article 2. The shareholders' meeting of the Company shall be convened by the Board of Directors unless otherwise provided for by law.

Changes to how the company convenes its shareholders' meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders' meeting notice.

The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders' meeting or before 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders' meeting or before 15 days before the date of the special shareholders' meeting. If, however, the Company has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders' meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders' meeting.

In addition, before 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.

The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders' meeting:

1. For physical shareholders' meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders' meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For virtual shareholders' meetings, electronic files shall be shared on the virtual meeting platform.

Notices and announcements shall state the reasons for convening; where a notice is given with the consent of the relevant party, it may be given by electronic way.

Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public Company, approval of competing with the Company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders' meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders' meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

The Company shall announce the proposal acceptance, written or electronic acceptance methods, acceptance place and acceptance period, before the Regular Shareholders' Meeting hold, and before stopping the transfer of stocks. The period of acceptance shall not be less than ten days.

A proposal submitted by a shareholder shall be limited to 300 words. If the number exceeds 300 words, the proposal shall not be included in the discussion. Proposing shareholders shall attend the Regular Shareholders' Meeting in person or appoint others to participate in the discussion of the proposal.

The Company shall, prior to the notice of the convening of the shareholders' meeting, notify the proposing shareholders of the result of the handling, and list the

proposals in accordance with the provisions of this Article in the notice of the meeting. For any shareholder proposal not included in the discussion, the Board of Directors shall explain in the shareholders' meeting for the unlisted reasons.

Article 3. At each shareholders' meeting, the shareholder may sign one power of attorney issued by the Company, stating the scope of authorization, and entrusting one agent to attend the shareholders' meeting. One shareholder may issue one power of attorney, and in the case of one person only, the power of attorney shall be delivered to the Company five days before the meeting of the shareholders. In case of duplication, the power of attorney delivered first shall prevail. However, this restriction shall not apply to those declaring to revoke the previous entrusting.

If a shareholder wishes to attend the shareholders' meeting in person or to exercise his or her voting rights in writing or electronically after the power of attorney is delivered to the Company, he or she shall give a written notice to the Company to revoke the power of attorney two days prior to the shareholders' meeting. In case of cancellation overdue, the voting right shall be subject to the appointed proxy.

If, after a proxy form is delivered to the Company, a shareholder wishes to attend the shareholders' meeting online, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 4. The meeting of shareholders shall be held at the place where the Company is located or at such place as is convenient for shareholders to attend and suitable for the meeting of shareholders. The meeting shall commence no earlier than 9:00 a.m. or later than 3:00 p.m. The place and time of the meeting shall take full account of the opinions of the independent directors.

The restrictions on the place of the meeting shall not apply when the Company convenes a virtual shareholders' meeting.

Article 5. The Company shall specify in its shareholders' meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders' meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts.

Shareholders completing registration will be deemed as attend the shareholders' meeting in person.

The shareholder shall present with the attendance certificate, attendance sign-in card or other attendance documents to attend the shareholders' meeting. The Company shall not arbitrarily add other certification documents to the certification documents required for the shareholder's attendance. The solicitor for power of attorney shall bring the proof of identity for verification purposes.

The Company shall have the sign-in sheet for the attending shareholders to sign in, or the attending shareholders shall hand in the sign-in card to sign in on their behalf. The Company shall deliver the Discussion Manual, Annual Report, Attendance Pass, Speech Note, Votes, and other meeting data to the shareholders attending the meeting. If there is the election of directors, a separate ballot shall be attached.

When the government or legal person is a shareholder, the representative attending the shareholders' meeting shall not be limited to one person. When a legal person is entrusted to attend a shareholders' meeting, he/she may appoint only one representative to attend the meeting.

In the event of a virtual shareholders' meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.

In the event of a virtual shareholders' meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 5-1. To convene a virtual shareholders' meeting, the Company shall include the follow particulars in the shareholders' meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
 - (1) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
 - (2) Shareholders not having registered to attend the affected virtual shareholders' meeting shall not attend the postponed or resumed session.
 - (3) In case of a hybrid shareholders' meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual

shareholders' meeting online, meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.

(4) Actions to be taken if the outcome of all proposals has been announced and extraordinary motion has not been carried out.

3. To convene a virtual shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified.

Article 6. If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the directors to act as chair, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juristic person director that serves as chair. It is advisable that shareholders' meetings convened by the board and attended by a majority of the directors, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes. If a shareholders' meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves. The Company may appoint the entrusted lawyers, accountants or other relevant personnel to attend the shareholders' meeting as non-voting delegates.

Article 7. The Company shall, upon the receipt of the sign-in of shareholders, continuously record or videotape the whole process of the sign-in of shareholders, the process of the meeting and the process of voting and counting, and the record shall be kept for at least one year. Provided, however, that a lawsuit brought by the shareholder in accordance with Article 189 of the Company Law, the record shall be retained until the conclusion of the lawsuit.

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

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

In case of a virtual shareholders' meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 8. Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time, and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders' meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within

one month. In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 5.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 9. If the meeting of shareholders is convened by the Board of Directors and the agenda is determined by the Board of Directors, Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda) after the Company is TWSE/TPEX listed. The meeting shall proceed in accordance with the scheduled agenda and no changes shall be made without a resolution of the Board of Directors.

If the shareholders' meeting is convened by a person other than the Board of Directors who has the convening power, the provisions in the preceding paragraph shall apply *mutatis mutandis*.

Prior to the conclusion of the agenda set out in the preceding two paragraphs (including incidental motions), the chairperson shall not announce the adjournment of the meeting without a resolution. If the chairperson announces the adjournment of the meeting in violation of these rules, the meeting shall continue with the approval of more than half of the shareholders' voting rights to elect one person to be the chairperson.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 10. Before attending the shareholder's speech, a speech note shall be filled out stating the purpose of the speech, the shareholder's account number (or the number of the attendance card), and the name of the account. The chairperson shall decide the order of the speech. A shareholder presenting only a note without a speech shall be deemed to have not made a speech. In case of any discrepancy between the content of the speech and the note, the content of the speech shall prevail. Without the consent of the chairperson, no shareholder shall make more than two speeches on the same motion, each of which shall not exceed five minutes. Where a shareholder's speech violates the provisions above or goes beyond the scope of the agenda, the

chairperson may stop the shareholder's speech. When the attending shareholder is making speech, other shareholders shall not interfere with the speech except with the consent of the chairperson and the speaking shareholder, and the chairperson shall stop the violator. When a legal person appoints two or more representatives to attend the shareholders' meeting, only one person may be elected to speak on the same motion. After the attending shareholder makes a speech, the chairperson may respond in person or appoint a relevant person to respond.

Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

- Article 11. Voting at a shareholders' meeting shall be calculated based the number of shares. The number of shares of non-voting shareholders shall not be counted into the total number of shares issued for the resolution of the shareholders' meeting. Shareholders shall not participate in voting or exercise their right to vote on behalf of other shareholders in relation to the matters at the meeting which may be harmful to the interests of the Company due to their own interests. The number of shares without the right to vote mentioned in the preceding paragraph shall not be counted as the voting rights of present shareholders. Except for the trust enterprises or stock agency approved by the securities authorities, if one person is entrusted by two or more shareholders at the same time, the voting rights of the proxy shall not exceed 3% of the total voting rights of the shares issued, and the excess voting rights of the proxy shall not be counted.

- Article 12. A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

The Company shall hold a meeting of shareholders electronically and may exercise its voting rights in writing; when a shareholder exercises his or her right to vote in writing or electronically, the method of such exercise shall be set forth in the convening notice of the shareholders' meeting. Shareholders who exercise their voting rights in writing or electronically shall be deemed to have attended the shareholders' meeting in person. However, the incidental motion and amendment

of the original motion at the shareholders' meeting shall be regarded as abstention, and the Company shall therefore avoid making the incidental motion and amendment of the original motion.

Where the voting rights are exercised in writing or electronically as referred to in the preceding paragraph, the expression of intention shall be delivered to the Company two days before the shareholders' meeting. In case of duplication in the expression of intention, the one delivered first shall prevail. However, this restriction shall not apply if the intention is expressed to revoke the former declaration.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, two business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Unless otherwise provided for in the Company Law and the Articles of Association, the voting on a motion shall be approved by more than half of the shareholders present.

At the time of voting, the chair or a person designated by the chair shall first brief the total number of voting rights represented by the attending shareholders, and the shareholders shall vote, and after the meeting of shareholders, the results of the approval, opposition and abstention of the shareholders shall be input into the Market Observation Post System (MOPS).

When there are amendments or substitutions to a motion, the chairperson shall decide the order of voting along with the original motion. If one of the motions has been passed, the other motions shall be deemed to be rejected and no further votes shall be taken.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting

has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

When the Company convenes a virtual shareholders' meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting. In the event of a virtual shareholders' meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When the Company convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders' meeting in person, they shall revoke their registration two days before the shareholders' meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders' meeting online.

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

Article 13. When the shareholders' meeting elects the directors, it shall proceed in accordance with the relevant selection and appointment standards set by the Company, and shall announce the results of the election on the spot, including the name list of the directors elected and the vote number of the directors elected, and the names of directors not elected and number of votes they received. The ballot for the election mentioned above shall be sealed and signed by the vote supervisor, and shall be properly kept for at least one year. Provided, however, that a lawsuit is brought by the shareholder in accordance with Article 189 of the Company Law, it shall be retained until the conclusion of the lawsuit.

Article 14. Matters resolved by the shareholders' meeting shall be made into the Minutes of Meeting, which shall be signed and sealed by the chairperson and distributed to all shareholders within 20 days after the meeting. The preparation and distribution of the proceedings may be conducted electronically. For the distribution of the proceedings referred above, the Company may input the announcement form on the Market Observation Post System (MOPS).

The year, month, day, place, name of the chairperson and method of resolution shall be recorded in the minutes, and the main points of the proceedings and their results (including the statistical tallies of the numbers of votes) shall be recorded. In the event of an election of directors, the number of votes received by each elected person shall be disclosed. The minutes of meeting shall be kept for the duration of the existence of the Company.

Where a virtual shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders' meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual shareholders' meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online.

Article 15. On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting. In the event a virtual shareholders' meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During the Company's virtual shareholders' meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of votes is released during the meeting. If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taipei Exchange Market regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 16. The handling personnel of the shareholders' meeting shall wear the identification cards or armbands. The chairperson may direct the picket or security personnel to assist in maintaining order at the venue. When the picket or security personnel is present to assist in maintaining order, he or she shall wear an armband with the

word "Picket". If the meeting place is equipped with loudspeaker equipment, the chairperson may stop the shareholder from making a speech other than through the equipment provided by the Company. If a shareholder violates the rules of procedure and does not obey the correction of the chairperson, and obstructs the proceeding of the meeting, the chairperson may instruct the picket or the security personnel to ask him/her to leave the meeting venue.

Article 17. The chairperson may declare a break while the meeting is in progress at such time as may be appropriate. In the event of any force majeure, the chairperson may make an order to suspend the meeting and, as the case may be, announce the time for the resumption of the meeting.

If the meeting of shareholders fails to use the venue for the meeting before the conclusion of the agenda (including incidental motions), the meeting of shareholders may decide to find another venue for the meeting to continue.

The shareholders' meeting shall, in accordance with Article 182 of the Company Law, decide to postpone or renew the meeting within five days.

Article 18. In the event of a virtual shareholders' meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 19. When the Company convenes a virtual shareholders' meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article 20. In the event of a virtual shareholders' meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.

In the event of a virtual shareholders' meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

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

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

During a postponed or resumed session of a shareholders' meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.

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

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

When postponing or resuming a meeting according to the second paragraph, the Company shall handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter

based on the date of the shareholders' meeting that is postponed or resumed under the second paragraph.

Article 21. When convening a virtual shareholders' meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online.

Article 22. The Rule of Procedure was established and implemented on June 19, 2019 after being passed by the Shareholders' Meeting.

The first amendment to the Rule of Procedure was approved by the Shareholders' Meeting for implementation on November 12, 2019.

The second amendment to the Rule of Procedure was approved by the Shareholders' Meeting for implementation on June 11, 2020.

The third amendment to the Rule of Procedure was approved by the Shareholders' Meeting for implementation on July 8, 2021.

The fourth amendment to the Rule of Procedure was approved by the Shareholders' Meeting for implementation on May 30, 2023.

Wendell Industrial Co., Ltd.
Shareholdings of All Directors

- I. In accordance with the provisions of Article 26 of the Securities and Exchange Act, all the directors of the Company shall hold a minimum number of 2,408,395 shares. As of April 20, 2024, all directors held 10,421,749 shares. (If there are more than two independent directors, the shareholding ratio of all directors other than independent directors may be reduced to 80% as stipulated.)
- II. Since the Company has established an Audit Committee, the statutory shareholding of the supervisor does not apply.
- III. The number of shares held by the directors of the Company as recorded in the register of shareholders as of the book closure date of this General Shareholders' Meeting is as follows:

Book closure date: April 20, 2024

Title	Name	Shares	Ratio %
Chairman	Bo Hong Investment Co., Ltd. Representative: KAO, CHIH-HUNG	4,715,586	15.66%
Director	Hong Hui Co., Ltd. Representative: KAO, MIN-HUNG	962,821	3.20%
Director	Wei Hong Assets Co., Ltd. Representative: CHAN, PO-HSIANG	4,715,586	15.66%
Director	LIU, SHENG-CHANG	27,756	0.09%
Independent Director	LIN, CHIN-FENG	-	-
Independent Director	HO, TZU-SHUN	-	-
Independent Director	Tseng, Hsiao Chuan	-	-
Total		10,421,749	34.61%

Note: The total number of shares already issued by the Company reached 30,104,942 as of the book closure date of this General Shareholders' Meeting.