

Stock Code: 6761

Wendell Industrial Co., Ltd.

2026 General Shareholders' Meeting

Meeting Handbook

Convening method: Physical Meeting

Time: May 26, 2026(Tuesday) at 09:30 a.m.

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

Wendell Industrial Co., Ltd.
Handbook for the 2026 Annual Meeting of Shareholders
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I. Meeting Procedure

Wendell Industrial Co., Ltd.

Procedure for the 2026 Annual Meeting of Shareholders

- (I) Call the Meeting to Order
- (II) Chairperson Remarks
- (III) Company Reports
- (IV) Proposals
- (V) Discussion
- (VI) Questions and Motions
- (VII) Adjournment

II. Meeting Agenda

Wendell Industrial Co., Ltd. Year 2026 Agenda of Annual Meeting of Shareholders

Meeting Method: Physical Meeting

Time:9:30 a.m. on Tuesday, May 26, 2026

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

- (I) Call the Meeting to Order (Report on Shares Represented)
- (II) Chairperson Remarks
- (III) Company Reports
 - 1. 2025 Business Report
 - 2. Audit Committee's Review Report on the 2025 Financial Statements
 - 3. Report on the Distribution of 2025 Employee and Director Compensation
 - 4. Report on the Distribution of Cash Dividends from 2025 Earnings
 - 5. Report on Directors' Compensation
 - 6. Report on Corporate Bond Issuance
 - 7. Report on the Execution of Share Repurchase by the Company
 - 8. Report on Communication between Audit Committee Members and the Chief Internal Auditor
 - 9. Proposal for Amendments to Certain Articles of the "Sustainable Development Best Practice Principles "
- (IV) Proposals
 - 1. Adoption of the 2025 Business Report and Financial Statements
 - 2. Adoption of the Proposal for Distribution of 2025 Profits
- (V) Discussion
 - 1. Proposal for Amendments to Certain Articles of the "Articles of Incorporation"
 - 2. Proposal for Amendments to Certain Articles of the "Acquisition or Disposition of Assets Processing Procedure"
 - 3. Proposal for Amendments to Certain Articles of the "Procedures for Lending Funds to Other Parties"
 - 4. Proposal for Amendments to Certain Articles of the "Procedures for Endorsement and Guarantees"

5. In line with the subsidiary Wendell Electrical Testing Co., Ltd.'s future plan to apply for stock listing (TPEX/TWSE), the Company may carry out, in multiple phases, the disposal of its shareholdings in the subsidiary and waive participation in the subsidiary's cash capital increase plan

(VI) Questions and Motions

(VII) Adjournment

Company Reports

Report No. 1: 2025 Business Report.

Explanation: “2025 Business Report”, please refer to Attachment 1, page 15-18 of this Handbook.

Report No. 2: Audit Committee’s Review Report on the 2025 Financial Statements.

Explanation: The statement of final accounts of the Company for the year 2025 has been reviewed by the Audit Committee, and a review report has been submitted. Please refer to Attachment 2, page 19 of this Handbook.

Report No. 3: Report on the Distribution of 2025 Employee and Director Compensation.

Explanation: In accordance with the provisions of the Articles of Incorporation, 1.50% and 1.50% 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\$ 4,672,083 and NT\$ 4,648,039. The remunerations are paid in cash. Twenty percent of the aforementioned employee compensation, amounting to NT\$ 934,416, is allocated as compensation for grassroots employees.

Report No. 4: Report on the Distribution of Cash Dividends from 2025 Earnings.

Explanation:

1. In accordance with Article 20-1 of the Company’s Articles of Incorporation, the Board of Directors has resolved to appropriate a total amount of NT\$208,691,202 from the Company’s earnings for fiscal year 2025 for the distribution of cash dividends. Such dividends shall be distributed to shareholders listed in the shareholders’ register as of the ex-dividend record date, in proportion to their respective shareholdings. Each share shall be entitled to a cash dividend of NT\$6. Cash dividends shall be paid in whole New Taiwan dollars, with any fractional amounts less than one dollar rounded down. The aggregate of fractional amounts less than one dollar shall be recognized as other income of the Company. The Chairman is authorized to determine the ex-dividend record date, payment date, and other related matters.

2. The Chairman has resolved that the ex-dividend record date shall be April 1, 2026, and the cash dividends were distributed on April 23, 2026.

Report No. 5: Report on Directors' Compensation.

Explanation: In accordance with the provisions of the Articles of Incorporation, 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. "2025 Summary Table of Directors' Compensation", please refer to Attachment 3, page 20 of this Handbook.

Report No. 6: Report on Corporate Bond Issuance.

Explanation: 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 the expiration date	Shares already converted	4,851,929 new ordinary shares already converted and issued
	Amount not converted	NT\$ 1,000,000

Note: Wendell I matured on June 8, 2025. A total of 3,990 bonds were converted into 4,851,929 shares of common stock. The remaining 10 bonds, totaling NT\$1,000,000, were redeemed in full in cash at par value.

Report No. 7: Report on the Execution of Share Repurchase by the Company.

Explanation: The status of the Company's share repurchase resolved by the Board of Directors on April 10, 2025 is as follows. For the "First Share Repurchase and Transfer to Employees Program," please refer to Attachment 4, page 21-22 of this Handbook.

Repurchase tranche	First
Purpose of repurchase	Transfer of shares to employees
Planned repurchase period	April 11, 2025 to June 9, 2025
Planned repurchase price range	NT\$70 to NT\$90 per share
Actual repurchase period	April 11, 2025 to April 14, 2025
Class and number of shares repurchased	174,000 common shares
Total amount of shares repurchased	NT\$15,598,248
Percentage of shares repurchased to planned quantity	11.60%
Number of shares canceled or transferred	0 shares
Cumulative number of shares held by the Company	174,000 shares
Percentage of cumulative shares held to total issued shares	0.51%

Report No. 8: Report on Communication between Audit Committee Members and the Chief Internal Auditor.

Explanation: 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 Attachment 5, page 23-24 of this Handbook.

Report No. 9: Amendments to Certain Articles of the “Sustainable Development Best Practice Principles”.

Explanation: To comply with recent legal amendments, certain articles of the Company’s “Sustainable Development Best Practice Principles” have been revised. For a comparison table of the original and revised articles, please refer to Attachment 6, pages 25–26 of this meeting handbook.

Proposals

1.

Proposed by the Board

Proposal:

Adoption of the 2025 Business Report and Financial Statements.

Explanation:

- (I) The Company's 2025 Business Report and Financial Statements (including parent company only and consolidated financial statements) have been approved by the Board of Directors. The Financial Statements have been audited by CPAs CHEN, CHIN-CHANG and CHIU, CHAO-HSIEN of PwC Taiwan, and reviewed by the Audit Committee.
- (II) In accordance with Article 228 of the Company Act, the relevant statements have been prepared. Please refer to Attachment 1, pages 15-18, and Attachment 7, pages 27-47 of this meeting handbook.
- (III) The proposal is hereby presented for approval.

Resolution:

2.

Proposed by the Board

Proposal:

Adoption of the Proposal for Distribution of 2025 Profits.

Explanation:

- (I) The Company's earnings distribution statement for fiscal year 2025 is set forth in Attachment 8, page 48, of this Handbook.
- (II) The proposal is hereby presented for approval.

Resolution:

Discussion

1.

Proposed by the Board

Proposal:

Proposal for Amendments to Certain Articles of the “Articles of Incorporation”.

Explanation:

- (I) Partial amendments to the Company’s “Articles of Incorporation” to align with operational requirements.
- (II) For a comparison table of the original and revised articles, please refer to Attachment 9, pages 49–51 of this meeting handbook.
- (III) This proposal is hereby submitted for discussion.

Resolution:

2.

Proposed by the Board

Proposal:

Proposal for Amendments to Certain Articles of the “Acquisition or Disposition of Assets Processing Procedure”.

Explanation:

- (I) Partial amendments to the Company’s “Acquisition or Disposition of Assets Processing Procedure” to comply with regulatory changes and operational requirements.
- (II) For a comparison table of the original and revised articles, please refer to Attachment 10, pages 52–63 of this meeting handbook.
- (III) This proposal is hereby submitted for discussion.

Resolution:

3.

Proposed by the Board

Proposal:

Proposal for Amendments to Certain Articles of the “Procedures for Lending Funds to Other Parties”.

Explanation:

- (I) Partial amendments to the Company’s “Procedures for Lending Funds to Other Parties” to comply with regulatory changes and operational requirements.
- (II) For a comparison table of the original and revised articles, please refer to Attachment 11, pages 64–78 of this meeting handbook.
- (III) This proposal is hereby submitted for discussion.

Resolution:

4.

Proposed by the Board

Proposal:

Proposal for Amendments to Certain Articles of the “Procedures for Endorsement and Guarantees”.

Explanation:

- (I) Partial amendments to the Company’s “Procedures for Endorsement and Guarantees” to comply with regulatory changes and operational requirements.
- (II) For a comparison table of the original and revised articles, please refer to Attachment 12, pages 79–87 of this meeting handbook.
- (III) This proposal is hereby submitted for discussion.

Resolution:

5.

Proposed by the Board

Proposal:

In line with the subsidiary Wendell Electrical Testing Co., Ltd.'s future plan to apply for stock listing (TPEX/TWSE), the Company may carry out, in multiple phases, the disposal of its shareholdings in the subsidiary and waive participation in the subsidiary's cash capital increase plan.

Explanation:

(I) In order to continuously promote the development plan of the Wendell Group, and to support the operational development of its subsidiary, Wendell Electrical Testing Co., Ltd. (hereinafter referred to as "Wendell Electrical Testing"), as well as to attract and retain talent, integrate internal and external resources of the Group, introduce strategic and/or financial investors, and to plan for equity diversification in connection with a future application for listing (TPEX/Exchange), it is proposed that, while maintaining the Company's control over Wendell Electrical Testing (as described in Item 4 below), prior to the planned listing of Wendell Electrical Testing, the Company may, in one or more instances, proceed with a capital increase by issuing new shares for cash (if any). In connection therewith, the Company may dispose of shares and/or waive its subscription rights, in whole or in part, and may dispose of a portion of its shareholding in Wendell Electrical Testing in one or more transactions by the following methods:

i. Waiver of Subscription to Cash Capital Increase:

The issue price of new shares for cash capital increase by the subsidiary Wendell Electrical Testing shall not be lower than the net asset value per share as shown in its most recent financial statements audited or reviewed by a certified public accountant prior to the board resolution approving such capital increase. However, if the shares are already traded on a securities market, the issue price shall, in addition to not being lower than the aforementioned net asset value, be determined with reference to the prevailing market price. In consideration of its operational development and the need to attract and retain professional talent to enhance operational performance, except for the statutory reservation of 10% to 15% of the new shares for subscription by employees of Wendell Electrical Testing and, where applicable, employees of its controlling or subordinate

companies meeting certain criteria, and the shares required to be offered for public issuance and underwriting in accordance with Article 28-1 of the Securities and Exchange Act and other applicable laws and regulations, the Company may waive, in whole or in part, its subscription rights to the cash capital increase of Wendell Electrical Testing. The Company shall request Wendell Electrical Testing, within the scope of such waived shares, to offer subscription to specific persons, principally including qualified shareholders of the Company, employees of the Company and its affiliates, and strategic or financial investors who are beneficial to the operational development of Wendell Electrical Testing. Qualified shareholders of the Company refer to those recorded in the shareholders' register as of the most recent book closure date prior to the subscription, whose pro rata entitlement to subscribe for new shares of Wendell Electrical Testing reaches at least one (1) share (fractional entitlements may be aggregated in accordance with applicable regulations). The actual issue price, identification of specific subscribers, and related operational matters shall be subject to the resolution of the board of directors of Wendell Electrical Testing.

ii. Disposal of Shares in Wendell Electrical Testing

The disposal price of the Company's shareholding in Wendell Electrical Testing shall not be lower than the net asset value per share as shown in its most recent financial statements audited or reviewed by a certified public accountant prior to the board resolution approving such disposal. However, if the shares are traded on a securities market, the price shall be determined with reference to the prevailing market price. In consideration of the operational development of Wendell Electrical Testing and the need to attract and retain professional talent to enhance operational performance, the counterparties to the Company's disposal of shares in Wendell Electrical Testing shall principally include employees of Wendell Electrical Testing, employees of the Company and its affiliates, and shareholders recorded in the Company's shareholders' register as of the most recent book closure date whose pro rata entitlement reaches at least one (1) share, as well as strategic or financial investors beneficial to Wendell Electrical Testing. Any unsubscribed or under-

subscribed portion may be authorized to the Chairman to negotiate with specific persons for subscription. The actual transaction price, counterparties, and related operational matters shall be subject to authorization by the shareholders' meeting to the Board of Directors of the Company, which shall determine the same based on then-prevailing market conditions and the operational status of Wendell Electrical Testing, and handle such matters in accordance with the Company's Procedures for Acquisition or Disposal of Assets in effect at the time.

(II) For the share disposal required in connection with the application of the subsidiary, Wendell Electrical Testing Co., Ltd., for registration on the Emerging Stock Market or for listing (TPEX/Exchange), the Company shall, in accordance with applicable laws and regulations and relevant listing requirements, allocate shares for subscription by underwriters and for over-allotment arrangements. The number of shares to be allocated and the offering price shall be determined jointly with the underwriters based on applicable laws and regulations, listing requirements, prevailing market conditions, and the operational status of Wendell Electrical Testing.

(III) Pre-listing Cash Capital Increase

Where the subsidiary, Wendell Electrical Testing, conducts a cash capital increase prior to listing (TPEX/Exchange) in accordance with Article 28-1 of the Securities and Exchange Act and other applicable laws and regulations, except for reserving 10% to 15% of the new shares for subscription by employees of Wendell Electrical Testing and employees of its controlling or subordinate companies meeting certain criteria as required by law, all remaining shares shall be entrusted to securities underwriters for public offering prior to listing.

(IV) Upon completion of the aforementioned share disposal and/or waiver of subscription to the cash capital increase, the Company's direct or indirect aggregate shareholding in Wendell Electrical Testing shall not be less than 50% at the time of its listing (TPEX/Exchange), in order to maintain control and achieve group synergies.

(V) The foregoing matters relating to the disposal of shares in and/or waiver of subscription to the cash capital increase of Wendell Electrical Testing are hereby submitted to the Annual General Meeting for authorization to the Board of Directors to handle in full.

(VI) This proposal is hereby submitted for discussion.

Resolution:

Questions and Motions

Adjournment

Wendell Industrial Co., Ltd.

2025 Business Report

I. 2025 Operating Results

(I) Implementation of Business Plan

In 2025, the Company continued to phase out low-margin product lines and optimize its product portfolio, while integrating professional laboratory testing and certification services to enhance overall gross margin. At the same time, the Company expanded its laboratory testing capacity and, through comprehensive one-stop professional services, proactively positioned itself for full-spectrum AI applications ranging from cloud to edge. The Company also continued to deepen its presence in applications including networking and communications, automotive electronics, industrial computers, security surveillance, and consumer electronics. The consolidated net revenue for 2025 amounted to NT\$1,974,077 thousand, representing a decrease of 2.32% compared to NT\$2,020,873 thousand in 2024. Nevertheless, the gross margin increased to 36.44%, up by 13.38 percentage points from the previous year. The net profit margin after tax was 12.61%, and earnings per share (EPS) for the year was NT\$7.34.

(II) Budget Implementation Status

In accordance with current regulations, the Company did not publicly disclose financial forecasts for 2025.

(III) Analysis of Financial Revenue, Expenditures, and Profitability

Unit: NT\$ thousands

Item/Year		2025	2024	Increase (Decrease) %
Financial Revenue and Expenditure	Net Revenue	1,974,077	2,020,873	(2.32%)
	Gross Profit	719,368	649,583	10.74%
	Gross Profit Margin (%)	36.44	32.14	13.38%
	Net Income After Tax	248,844	214,380	16.08%
Profitability Analysis	Return on Total Assets (%)	9.76	10.23	(4.59%)
	Return on Equity attributable to Shareholders of the Parent (%)	15.45	17.69	(12.66%)
	Operating Income to Paid-in Capital Ratio (%)	87.52	78.01	12.19%
	Pre-tax Income to Paid-in Capital Ratio (%)	87.58	87.59	(0.01%)
	Net Margin (%)	12.61	10.61	18.85%
	Earnings Per Share (NT\$)	7.34	7.25	1.24%

Note 1: The above figures are based on the 2025 and 2024 consolidated IFRS financial statements.

Explanation of Changes in Gross Profit and Net Income:

1. In 2025, due to adjustments in the product mix, total gross profit increased by 10.74% compared to the previous year, and the gross margin rose to 36.44%, representing an increase of 13.38 percentage points year-over-year. In terms of product mix, revenue contributions from own-brand products, agency brands, and testing and certification services accounted for 29.01%, 62.40%, and 8.59%, respectively, in 2025, reflecting continued optimization of the product portfolio.
2. In 2025, total gross profit increased by NT\$69,785 thousand compared to the previous year, while operating expenses increased only slightly by NT\$5,450 thousand. With respect to non-operating income and expenses, the depreciation of the U.S. dollar resulted in the recognition of exchange losses amounting to NT\$6,641 thousand. In addition, due to adjustments in bond holdings and the impact of interest capitalization, interest income and interest expenses decreased by NT\$6,120 thousand and NT\$8,463 thousand, respectively. Overall, non-operating income and expenses had no significant impact on the financial statements. As a result of the substantial increase in gross profit, net profit after tax for the year amounted to NT\$248,844 thousand, representing an increase of 16.08% compared to the previous year.

(IV) Research and Development Status

In 2025, the Company obtained a patent for a "10-Gigabit Ethernet Communication Connector Protection Device"

The 10-Gigabit Ethernet Communication Connector Protection Device is a lightning protection module designed to bridge high-speed network cables and PoE equipment. Its primary advantage lies in its adaptability—allowing seamless integration with new tasks without replacing existing network cables or connectors. It significantly enhances communication speed from 1Gbps to 10Gbps while incorporating high-energy surge protection to prevent damage to high-speed communication devices. Furthermore, compared to existing market products, the patented design demonstrates superior surge endurance and reliability in practical use.

In 2025, the Company obtained a patent for a "10-Gigabit Ethernet Lightning Protection Isolation Transformer"

The 10-Gigabit Ethernet Lightning Protection Isolation Transformer is designed to meet the booming demand in network communication products and applications. As a component that bridges high-speed communication cables and PoE equipment, it enhances both communication speed and protection. This patent not only increases transmission speed from 1Gbps to 10Gbps, but also provides high conduction tolerance, lightning resistance, and EMS protection. It also features electromagnetic wave suppression at higher frequencies, rates, and bandwidths, making it a high-performance Ethernet lightning protection isolation transformer.

In 2026, the Company plans to apply for patents for a " Three-Phase AC Power Filter"

With the increasing number of electrical and electronic devices, as well as the growing power demands of AI-related equipment, electromagnetic interference (EMI) in power systems has become more severe. As most devices can act as potential EMI sources, failure to address such interference may lead to malfunctions in nearby equipment and negatively impact the surrounding environment. The three-phase AC power filter is designed to effectively minimize EMI emissions and ensure immunity against external electromagnetic susceptibility (EMS), thereby enabling equipment to comply with international EMC standards. This patented device features high attenuation performance, enhanced bidirectional noise suppression (EMI/EMS), and improved resistance to harmonic interference. It is also designed to meet modern lightweight requirements and is expected to play a critical role in future three-phase power system applications.

II. Summary of 2026 Business Plan

(I) Business Strategy and Sales Policy

1. Continue developing new products and aligning with emerging market applications, with a proactive focus on areas such as 5G, WiFi 7, automotive electronics and electric vehicles/scooters/bicycles, Internet of Things (IoT), high-speed computing for data centers, low Earth orbit satellites, low-carbon green energy and energy storage, artificial intelligence (AI), and smart cities. These are the Company's primary development directions for the year.
2. Strengthen product coverage in automotive peripheral electronics and vehicle-to-everything (V2X) communication, and continue increasing the proportion of revenue from automotive clients.
3. Increase capital expenditures for testing laboratory to expand testing capacity and scope.
4. Utilize the laboratory to enhance electromagnetic compatibility (EMC) solutions and deepen engagement with customers across various sectors, thereby boosting the Company's performance.
5. The Company will plan and deploy high-power laboratory infrastructure and establish a one-stop testing environment for EMC and safety certification, targeting testing services for AI server racks and related peripheral systems.

(II) Expected Sales Volume

Based on industry trends and future business direction, the Company expects to sell approximately 1,694,133 thousand components and around 10 thousand testing and certification services in 2026.

(III) Production and Sales Policy

1. Establish strategic partnerships with major upstream raw material suppliers, wafer foundries, and packaging and testing facilities to ensure stable supply and quality of raw materials and production capacity, while reducing costs and enhancing overall competitiveness.
2. Expand the component and certification markets, and continue developing new products to meet emerging market applications and demands. Through professional experience and a fully equipped testing environment, the Company aims to provide customers with one-stop integrated services, accelerating their time-to-market.

III. Future Corporate Development Strategy

- (I) Promote a complete one-stop EMC certification service and expand global laboratory platforms to achieve win-win collaboration with clients.
- (II) Actively develop new product lines to offer customers the most suitable EMC and circuit protection solutions.
- (III) Continue expanding laboratory certification capabilities and collaborate with overseas laboratories to broaden customer service coverage.
- (IV) Foster long-term partnerships with clients under the service spirit of "A TEAM OF CUSTOMER ORIENTATION."

IV. Impact of External Competitive Environment, Regulatory Environment, and Overall Business Climate

In terms of the external competitive environment, the Company possesses a well-established and comprehensive product line, an experienced and professional team of engineers, fully equipped laboratory testing facilities, and product certification services. These elements are integrated into a unique and hard-to-replicate one-stop EMC and circuit protection business model, distinguishing the Company from typical component suppliers and laboratories. This allows the Company to build strong partnerships with clients and maintain a competitive edge in the industry.

With respect to the regulatory environment, the Company complies with all regulatory amendments, making timely adjustments to internal rules and management procedures, while formulating supporting measures. It is expected that changes in regulations will have a minimal impact on the Company.

Regarding the overall business climate, ongoing geopolitical uncertainties and potential changes in U.S. tariff policies may affect the global supply chain. The Company will maintain strong communication channels with both clients and suppliers to stay informed of operational developments, and will adjust its strategies and directions in alignment with international trends to ensure stable operations and sustained profitability.

**Wendell Industrial Co., Ltd.
Audit Committee's Review Report**

The board of directors of the company prepared and submitted the 2025 business report, financial statements, and surplus distribution statement. The financial statements were verified by PricewaterhouseCoopers Taiwan CPA CHEN, CHIN-CHANG, CPA CHIU, CHAO-HSIEN. 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.

2026 Regular Shareholders' Meeting of Wendell Industrial Co., Ltd.

Audit Committee of Wendell Industrial Co., Ltd.

Audit Committee Convener: LIN, CHIN-FENG

March 4, 2026

2025 Summary Table of Directors' Compensation

December 31, 2025; 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	Cash Amount	Stock Amount	Cash Amount	Stock Amount	The Company	All Consolidated Entities				
Chairman	Bo Hong Investment Co., Ltd Representative: Kao, Chih-Hung																								None
Vice Chairman	Hong Hui Co., Ltd Representative: Kao, Ming-Hung	-	-	-	-	2,324	2,329	30	30	0.95%	0.95%	13,466	13,466	181	181	330	-	330	-	6.56%	6.56%				None
Director	Wei Hong Assets Co., Ltd. Representative: Chan, Pao-Hsian																								None
Director	Liu, Sheng-Chang																								None
Independent Director	Lin, Chin-Feng																								None
Independent Director	Ho, Tzu-Shun	-	-	-	-	2,324	2,324	248	248	1.03%	1.03%	-	-	-	-	-	-	-	-	1.03%	1.03%				None
Independent Director	Tseng, Hsiao-Chuan																								None
Independent Director	Liao, Yuan-Ching																								None

1. 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

The remuneration paid by the Company to independent directors is included in the distribution of directors' compensation and transportation expenses paid to the attending directors in accordance with the provisions of Article 20 of the Articles of Incorporation. The remuneration to the directors of the Company includes fixed remuneration of transportation expenses, as well as variable remuneration paid based on the performance evaluation of the Board of Directors conducted in consideration of the value contributed by directors including participation in Board meetings, participation in the Company's operation and decision-making, full communication inside the Company and with CPAs, and evaluation of potential risks. The evaluation results are equivalent to the contributions made by the directors, and therefore the directors' compensation is distributed equally.

2. 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.
First Share Repurchase and Transfer to Employees Program

Article 1 (Purpose of Transfer)

To incentivize employees and enhance employee cohesion, the Company hereby adopts the First Share Repurchase and Transfer to Employees Program (the “Program”) in accordance with Article 28-2, Paragraph 1, Subparagraph 1 of the Securities and Exchange Act and the “Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies” promulgated by the Financial Supervisory Commission, Executive Yuan, as well as other applicable laws and regulations. The transfer of treasury shares repurchased by the Company to employees shall be handled in accordance with this Program, unless otherwise provided by applicable laws and regulations.

Article 2 (Type of Shares; Rights and Restrictions)

The shares to be transferred to employees under this Program shall be common shares. Except as otherwise provided by applicable laws and regulations or this Program, the rights and obligations attached thereto shall be identical to those of other outstanding common shares.

Article 3 (Transfer Period)

The shares repurchased by the Company may, in accordance with this Program, be transferred to employees in one or more tranches within five (5) years from the date of repurchase.

Article 4 (Eligibility of Transferees)

Employees who have been employed by the Company for a certain period prior to the subscription record date, or who have made special contributions to the Company and have been approved by the Board of Directors, shall be eligible to subscribe for shares in accordance with the allocation set forth in Article 5 of this Program.

For the purpose of this Program, “employees” refer to full-time salaried employees of the Company and its domestic and overseas subsidiaries in which the Company directly or indirectly holds more than 50% of the voting shares. Part-time employees, temporary employees, interns, and outsourced personnel shall not be eligible under this Program.

Article 5 (Number of Shares Subscribable by Employees)

The number of shares available for subscription shall be determined based on factors such as the eligible employee’s years of service, job grade, and special contributions to the Company. Such allocation shall also take into account the total number of treasury shares held by the Company as of the subscription record date and the upper limit of shares subscribable by each employee. The actual eligibility and number of shares to be subscribed shall be determined by resolution of the Board of Directors.

Where the transferee is a managerial officer, the proposal shall first be approved by the Remuneration Committee and then submitted to the Board of Directors for resolution. Where

the transferee is not a managerial officer, the proposal shall first be approved by the Audit Committee and then submitted to the Board of Directors for resolution.

Article 6 (Transfer Procedures)

The procedures for transferring the repurchased shares to employees are as follows:

1. Repurchase the Company's shares within the execution period upon announcement and filing in accordance with the Board's resolution.
2. The Board of Directors shall determine and announce matters including the subscription record date, allocation criteria, subscription and payment period, rights and restrictions.
3. Confirm the number of shares subscribed and paid for, and complete the share transfer and registration procedures.

Article 7 (Transfer Price per Share)

The transfer price shall be the average price at which the shares were actually repurchased, rounded to the nearest New Taiwan dollar. However, if there is any increase in the number of issued common shares of the Company prior to the transfer, the transfer price may be adjusted proportionally.

Adjustment formula:

Adjusted transfer price = Average repurchase price × (Total number of issued common shares at the time of repurchase filing ÷ Total number of issued common shares prior to transfer)

Article 8 (Rights and Obligations after Transfer)

Upon completion of the transfer and registration of the shares to employees, all rights and obligations shall be the same as those attached to the original shares, unless otherwise provided.

Article 9 (Taxation)

Employees receiving treasury shares shall pay all applicable taxes in accordance with the law before the transfer registration may be completed.

Article 10 (Cancellation of Treasury Shares)

The treasury shares repurchased by the Company for transfer to employees shall be fully transferred within five (5) years from the date of repurchase. Any shares not transferred within such period shall be deemed unissued shares and shall be cancelled in accordance with applicable laws, with the necessary amendment registration completed.

Article 11 (Effectiveness and Amendments)

This Program shall become effective upon approval by the Board of Directors and may be amended by further resolution of the Board of Directors.

Wendell Industrial Co., Ltd.

Communication between Independent Directors, the Chief Internal Auditor, and the Independent Auditors

I. Policy on Communication between Independent Directors, the Chief Internal Auditor, and the Independent Auditors:

- (I) At least one meeting per year shall be held for independent directors to communicate separately with the chief internal auditor and the independent auditors regarding internal audit reports or audit findings.
- (II) The Audit Committee of the Company is composed entirely of independent directors and convenes at least once every quarter. The chief internal auditor reports regularly to the Audit Committee on the following matters:
1. The annual internal audit plan
 2. The implementation status of internal audits
- (III) The independent auditors attend the Audit Committee meeting annually to present the results of the year-end audit.
- (IV) Others: In the event of any significant irregularities or if the independent directors, independent auditors, or the chief internal auditor consider it necessary, additional meetings may be convened as needed for separate communication.

II. Communication between Independent Directors, the Chief Internal Auditor, and the Independent Auditors in 2025:

Communication Method	Date	Attendees	Matters Discussed	Result	Remarks
Meeting between Independent Directors, Chief Internal Auditor, and Independent Auditors	March 5, 2025	Independent Director: Lin, Chin-Feng Independent Director: Tseng, Hsiao-Chuan CPA: Chen, Chin-Chang Chief Internal Auditor: Lin, Yi-Ching	1. 2024 Internal Audit Report 2. 2024 Internal Audit Recommendations and Adoption Status by Departments 3. Regulatory Updates and Audit Compliance Measures	No objections	No general directors or management were present.
Audit Committee Meeting	March 5, 2025	Independent Director: Lin, Chin-Feng Independent Director: Ho, Tzu-Shun(by proxy) Independent Director: Tseng, Hsiao-Chuan CPA: Chiu, Chao-Hsien Chief Internal Auditor: Lin, Yi-Ching	1. Report on the Execution of the Q4 2024 Audit Plan 2. Approval of the 2024 "Statement of Internal Control System" 3. Review and Communication of the 2024 Q4 Consolidated Financial Statement Audit Results 4. Audit Quality Indicators (AQIs)	No objections	Independent Director Ho, Tzu-Shun attended by proxy

Communication Method	Date	Attendees	Matters Discussed	Result	Remarks
Audit Committee Meeting	May 5, 2025	Independent Director: Lin, Chin-Feng Independent Director: Ho, Tzu-Shun Independent Director: Tseng, Hsiao-Chuan CPA: Chiu, Chao-Hsien Chief Internal Auditor: Lin, Chin-Feng	1. Report on the Execution of the Q1 2025 Audit Plan 2. Amendments to the "Internal Control System" and the "Sustainability Information Management Procedures."	No objections	-
Audit Committee Meeting	August 6, 2025	Independent Director: Lin, Chin-Feng Independent Director: Ho, Tzu-Shun Independent Director: Tseng, Hsiao-Chuan Independent Director: Liao, Yuan-Ching CPA: Chen, Chin-Chang Chief Internal Auditor: Lin, Yi-Ching	1. Report on the Execution of the Q2 2025 Audit Plan	No objections	-
Audit Committee Meeting	November 3, 2025	Independent Director: Lin, Chin-Feng Independent Director: Ho, Tzu-Shun Independent Director: Tseng, Hsiao-Chuan Independent Director: Liao, Yuan-Ching CPA: Chen, Chin-Chang Chief Internal Auditor: Lin, Yi-Ching	1. Report on the Execution of the Q3 2025 Audit Plan	No objections	-
Audit Committee Meeting	December 5, 2025	Independent Director: Lin, Chin-Feng Independent Director: Ho, Tzu-Shun Independent Director: Tseng, Hsiao-Chuan Independent Director: Liao, Yuan-Ching Chief Internal Auditor: Lin, Yi-Ching	1. 2026 Annual Internal Audit Plan	No objections	-
Internal Audit Reports	February 8, 2025 March 12, 2025 April 8, 2025 May 12, 2025 June 11, 2025 July 14, 2025 August 12, 2025 September 22, 2025 October 28, 2025 November 12, 2025 December 10, 2025 January 6, 2026	Monthly audit reports were delivered to or emailed to the independent directors before the end of the following month.	January 2025 Audit Report February 2025 Audit Report March 2025 Audit Report April 2025 Audit Report May 2025 Audit Report June 2025 Audit Report July 2025 Audit Report August 2025 Audit Report September 2025 Audit Report October 2025 Audit Report November 2025 Audit Report December 2026 Audit Report	No objections	-

Wendell Industrial Co., Ltd.
Comparison Table of “Sustainable Development Best Practice Principles”

Article	Before Amendment	After Amendment	Reason for Amendment
Article 15	<p>The Company shall consider the impact of its operations on ecological benefits, promote and advocate the concept of sustainable consumption, and conduct its R&D, procurement, production, operations, and services in accordance with the following principles to reduce the impact of its operations on the natural environment and human beings:</p> <ol style="list-style-type: none"> 1. Reduce resource and energy consumption of products and services. 2. Reduce emissions of pollutants, toxic substances, and waste, and properly manage waste disposal. 3. Enhance the recyclability and reuse of raw materials or products. 4. Maximize the sustainable use of renewable resources. 5. Extend product durability. 6. Improve the efficiency of products and services. 	<p>The Company shall consider the impact of its operations on ecological benefits, promote and advocate the concept of sustainable consumption, and conduct its R&D, procurement, production, operations, and services in accordance with the following principles to reduce the impact of its operations on the natural environment, <u>biodiversity</u>, and human beings:</p> <ol style="list-style-type: none"> 1. Reduce resource and energy consumption of products and services. 2. Reduce emissions of pollutants, toxic substances, and waste, and properly manage waste disposal. 3. Enhance the recyclability and reuse of raw materials or products. 4. Maximize the sustainable use of renewable resources. 5. Extend product durability. 6. Improve the efficiency of products and services. 7. <u>Enhance conservation of marine and terrestrial biodiversity and ecosystems, promote sustainable use of resources, and ensure fair and equitable benefits.</u> 	To comply with legal amendments.
Article 21	<p>The Company shall provide a sound environment for employees' career development and establish effective training programs for career development.</p>	<p>The Company shall provide a sound environment for employees' career development and establish effective training programs for career development.</p> <p><u>The Company shall establish industry-academia collaboration programs to</u></p>	To comply with legal amendments.

Article	Before Amendment	After Amendment	Reason for Amendment
	<p>The Company shall establish and implement reasonable employee welfare measures (including compensation, leave, and other benefits), and appropriately reflect business performance or results in employee compensation to ensure talent recruitment, retention, and motivation, thereby achieving sustainable development.</p>	<p><u>cultivate future industry talent.</u> The Company shall establish and implement reasonable employee welfare measures (including compensation, leave, and other benefits), and appropriately reflect business performance or results in employee compensation to ensure talent recruitment, retention, and motivation, thereby achieving sustainable development.</p>	
<p>Article 31</p>	<p>These Principles shall be implemented upon approval by the Board of Directors and reported to the shareholders' meeting. The same shall apply to any amendments.</p> <p>These Principles were adopted on March 20, 2020 upon approval by the Board of Directors and reported to the shareholders' meeting on June 11, 2020. The first amendment was approved by the Board of Directors on March 24, 2022 and subsequently reported to the shareholders' meeting on June 16, 2022. The second amendment was approved by the Board of Directors on March 8, 2023 and subsequently reported to the shareholders' meeting on May 30, 2023.</p>	<p>These Principles shall be implemented upon approval by the Board of Directors and reported to the shareholders' meeting. The same shall apply to any amendments.</p> <p>These Principles were adopted on March 20, 2020 upon approval by the Board of Directors and reported to the shareholders' meeting on June 11, 2020. The first amendment was approved by the Board of Directors on March 24, 2022 and subsequently reported to the shareholders' meeting on June 16, 2022. The second amendment was approved by the Board of Directors on March 8, 2023 and subsequently reported to the shareholders' meeting on May 30, 2023.</p> <p><u>The third amendment was approved by the Board of Directors on March 4, 2026 and subsequently reported to the shareholders' meeting on May 26, 2026.</u></p>	<p>Addition of amendment history.</p>

Independent Auditors' Report

(115) Cai-Sheng-Bao-Tzu No. 25004654

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, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2025 and 2024, 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, 2025 and 2024, and their consolidated financial performance and cash flows for the years ended December 31, 2025 and 2024, 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, 2025. 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 2025 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 4 (8) 、 Note 4(9), Note 5 (2) and Note 6 (3) 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 4 (11), Note 5 (2) and Note 6 (4) 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. Verify the accuracy of the inventory aging report.

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, 2025 and 2024 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,

2025. 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
CHIU, CHAO-HSIEN

Financial Supervisory Commission
Auditing and Attestation No. :

FSC (Sheng) No. 1060025060

FSC (Sheng) No. 1020049451

March 4, 2026

Wendell Industrial Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
December 31, 2025 and 2024

Unit : In Thousands of New Taiwan Dollars

Code	Assets	Note	December 31, 2025		December 31, 2024	
			Amount	%	Amount	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 515,168	19	\$ 643,002	26
1110	Current financial assets at fair value through profit or loss	6(2)	50,707	2	177,735	7
1150	Notes receivable	6(3)	7,164	-	34,880	2
1170	Accounts receivable	6(3)	623,180	24	621,110	26
130X	Inventories	6(4)	291,820	11	291,614	12
1470	Other current assets		23,910	1	26,006	1
11XX	Total current assets		<u>1,511,949</u>	<u>57</u>	<u>1,794,347</u>	<u>74</u>
Non-current assets						
1600	Property, plant and equipment	6(5)&8	824,774	31	556,257	23
1755	Right-of-use assets	6(6)	73,677	3	53,794	2
1840	Deferred tax assets	6(21)	10,562	-	15,030	-
1900	Other non-current assets	6(7)&8	238,700	9	21,089	1
15XX	Total non-current assets		<u>1,147,713</u>	<u>43</u>	<u>646,170</u>	<u>26</u>
1XXX	Total assets		<u>\$ 2,659,662</u>	<u>100</u>	<u>\$ 2,440,517</u>	<u>100</u>

(Continue on next page)

Wendell Industrial Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
December 31, 2025 and 2024

Unit : In Thousands of New Taiwan Dollars

Code	Liabilities and Equity	Note	December 31, 2025		December 31, 2024	
			Amount	%	Amount	%
	Current liabilities					
2100	Short-term loans	6(8)	\$ 217,416	8	\$ 215,713	9
2120	Financial liabilities at fair value through profit or loss	6(2)	738	-	1,567	-
2130	Current contract liabilities	6(17)	690	-	5,637	-
2170	Accounts payable		226,866	9	206,553	9
2200	Other accounts payable	6(9)	176,842	7	121,682	5
2230	Current tax liabilities		31,311	1	37,732	2
2280	Current lease liabilities (Note 13)	6(6)	31,970	1	29,219	1
2320	Long-term liabilities - current portion	6(10)(11)	103,600	4	326,060	13
2399	Other current liabilities - other		4,999	-	3,986	-
21XX	Total current liabilities		<u>794,432</u>	<u>30</u>	<u>948,149</u>	<u>39</u>
	Non-current liabilities					
2540	Long-term loans	6(11)	-	-	14,000	-
2570	Deferred tax liabilities	6(21)	23,638	1	19,264	1
2580	Non-current lease liabilities	6(6)	42,750	2	25,262	1
2600	Other non-current liabilities		6,916	-	3,899	-
25XX	Total non-current liabilities		<u>73,304</u>	<u>3</u>	<u>62,425</u>	<u>2</u>
2XXX	Total liabilities		<u>867,736</u>	<u>33</u>	<u>1,010,574</u>	<u>41</u>
	Equity					
	Equity attributed to owners of parent					
	Share	6(14)				
3110	Ordinary share		349,559	13	304,061	13
3130	Certificates of bond-to-stock conversion	6(10)	-	-	5,620	-
	Capital surplus	6(15)				
3200	Capital surplus		900,918	34	614,044	25
	Retained earnings	6(16)				
3310	Legal reserve		115,237	4	93,785	4
3320	Special reserve		6,150	-	2,322	-
3350	Unappropriated retained earnings		444,252	17	416,261	17
	Other equity					
3400	Other equity		(8,592)	-	(6,150)	-
3500	Treasury stock	6(14)	(15,598)	(1)	-	-
3XXX	Total equity		<u>1,791,926</u>	<u>67</u>	<u>1,429,943</u>	<u>59</u>
	Significant contingent liabilities and unrecognized contract commitments	9				
	Significant subsequent events	11				
3X2X	Total liabilities and equity		<u>\$ 2,659,662</u>	<u>100</u>	<u>\$ 2,440,517</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, 2025 and 2024

Unit : In Thousands of New Taiwan Dollars,
except for EPS in New Taiwan Dollars
Year ended December 31,

Item	Note	2025		2024	
		Amount	%	Amount	%
4000 Operating revenue	6(17)	\$ 1,974,077	100	\$ 2,020,873	100
5000 Operating costs	6(4)(20)	(1,254,709)	(64)	(1,371,290)	(68)
5900 Gross profit (loss) from operations		719,368	36	649,583	32
Operating expenses	6(20)				
6100 Selling expenses		(172,127)	(9)	(174,567)	(9)
6200 Administrative expenses		(217,332)	(11)	(213,803)	(10)
6300 Research and development expenses		(24,208)	(1)	(19,659)	(1)
6450 Impairment loss determined in accordance with IFRS 9	6(3)	224	-	36	-
6000 Total operating expenses		(413,443)	(21)	(407,993)	(20)
6900 Net operating income		305,925	15	241,590	12
Non-operating income and expenses					
7100 Interest income		8,284	-	15,055	1
7010 Other income		2,554	-	2,097	-
7020 Other gains and losses	6(18)	(6,197)	-	25,428	1
7050 Finance costs	6(19)	(4,455)	-	(12,918)	(1)
7000 Total non-operating income and expenses		216	-	29,662	1
7900 Profit from continuing operations before tax		306,141	15	271,252	13
7950 Tax expense	6(21)	(57,297)	(3)	(56,872)	(3)
8200 Profit (loss)		\$ 248,844	12	\$ 214,380	10
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)	\$ 105	-	\$ 85	-
8349 Income tax related to items that will not be reclassified subsequently to profit or loss	6(21)	41	-	52	-
Items that may be reclassified subsequently to profit or loss					
8361 Exchange differences on translation of financial statements of overseas operations		(2,442)	-	(3,828)	-
8300 Other comprehensive income (net)		(\$ 2,296)	-	(\$ 3,691)	-
8500 Total comprehensive income		\$ 246,548	12	\$ 210,689	10
Profit attributable to :					
8610 Owners of parent		\$ 248,844	12	\$ 214,380	10
Comprehensive income attributable to :					
8710 Owners of parent		\$ 246,548	12	\$ 210,689	10
Earnings per share	6(22)				
9750 Total basic earnings per share		\$	7.34	\$	7.25
9850 Total diluted earnings per share		\$	7.15	\$	6.40

The accompanying notes constitute part of the consolidated financial statements.

Wendell Industrial Co., Ltd.
Parent Company Only Statements of Changes in Equity
December 31, 2025 and 2024

Unit : In Thousands of New Taiwan Dollars

	Note	Equity attributed to owners of parent							Exchange differences on translation of financial statements of overseas operations	Treasury stocks	Total
		Share		Retained earnings							
		Ordinary share	Certificates of bond-to-stock conversion	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings				
2024											
Balance at January 1		\$ 251,049	\$ -	\$ 326,681	\$ 83,425	\$ -	\$ 334,846	(\$ 2,322)	\$ -	\$ 993,679	
Net profit in the current period		-	-	-	-	-	214,380	-	-	214,380	
Other comprehensive income in the current period		-	-	-	-	-	137	(3,828)	-	(3,691)	
Total comprehensive income in the current period		-	-	-	-	-	214,517	(3,828)	-	210,689	
Earnings Assignment and Distribution in 2023	6(16)	-	-	-	10,360	-	(10,360)	-	-	-	
Legal reserve		-	-	-	10,360	-	(10,360)	-	-	-	
Special reserve		-	-	-	-	2,322	(2,322)	-	-	-	
Cash dividends		-	-	-	-	-	(120,420)	-	-	(120,420)	
Capital increase by cash	6(14)(15)	50,000	-	212,500	-	-	-	-	-	262,500	
Share-based payment	6(13)(15)	-	-	13,305	-	-	-	-	-	13,305	
Conversion of convertible corporate bonds	6(10)(15)	3,012	5,620	61,558	-	-	-	-	-	70,190	
Balance at December 31		<u>\$ 304,061</u>	<u>\$ 5,620</u>	<u>\$ 614,044</u>	<u>\$ 93,785</u>	<u>\$ 2,322</u>	<u>\$ 416,261</u>	<u>(\$ 6,150)</u>	<u>-</u>	<u>\$ 1,429,943</u>	
2025											
Balance at January 1		\$ 304,061	\$ 5,620	\$ 614,044	\$ 93,785	\$ 2,322	\$ 416,261	(\$ 6,150)	-	\$ 1,429,943	
Net profit in the current period		-	-	-	-	-	248,844	-	-	248,844	
Other comprehensive income in the current period		-	-	-	-	-	146	(2,442)	-	(2,296)	
Total comprehensive income in the current period		-	-	-	-	-	248,990	(2,442)	-	246,548	
Earnings Assignment and Distribution in 2024	6(16)	-	-	-	21,452	-	(21,452)	-	-	-	
Legal reserve		-	-	-	21,452	-	(21,452)	-	-	-	
Special reserve		-	-	-	-	3,828	(3,828)	-	-	-	
Cash dividends		-	-	-	-	-	(195,719)	-	-	(195,719)	
Treasury stocks buyback	6(14)	-	-	-	-	-	-	-	(15,598)	(15,598)	
Conversion of convertible corporate bonds	6(10)(15)	45,498	(5,620)	286,874	-	-	-	-	-	326,752	
Balance at December 31		<u>\$ 349,559</u>	<u>\$ -</u>	<u>\$ 900,918</u>	<u>\$ 115,237</u>	<u>\$ 6,150</u>	<u>\$ 444,252</u>	<u>(\$ 8,592)</u>	<u>(\$ 15,598)</u>	<u>\$ 1,791,926</u>	

The accompanying notes constitute part of the consolidated financial statements.

Wendell Industrial Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
December 31, 2025 and 2024

Unit : In Thousands of New Taiwan Dollars
Year ended December 31,

	Note	2025	2024
<u>Cash flows from operating activities, indirect method</u>			
Profit before tax		\$ 306,141	\$ 271,252
Adjustment items			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(20)	56,226	58,295
Amortization expense	6(20)	4,166	1,206
Expected credit loss	6(3)	(224)	(36)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	6(2)(18)	(581)	3,043
Interest	6(19)	4,455	12,918
Share-based compensation	6(13)	-	13,305
Interest income		(8,284)	(15,055)
Loss on disposal of property, plant and equipment	6(18)	(144)	297
Profit from lease modification	6(6)	(59)	(1)
Changes in operating assets and liabilities			
Total changes in operating assets			
Financial assets measured at fair value through profit or loss		126,762	(95,195)
Notes receivable		27,724	4,632
Accounts receivable		(1,817)	(61,395)
Inventories		(206)	44,886
Other current assets		(715)	(4,346)
Other non-current assets		(647)	85
Total changes in operating liabilities			
Contract liabilities - current		(4,947)	(1,575)
Accounts payable		20,313	51,392
Other accounts payable		12,684	11,615
Other current liabilities - other		1,013	1,320
Net defined benefit liability		936	77
Cash generated from operations		542,796	296,720
Interest collected		11,095	12,461
Interest paid		(2,758)	(5,723)
Income tax paid		(54,423)	(46,804)
Net cash generated from operating activities		496,710	256,654
<u>Cash flows from investing activities</u>			
Financial assets measured at amortized cost - Decrease in current assets		-	2,000
Acquisition of property, plant and equipment	6(23)	(445,530)	(193,250)
Disposal of real estate, plant and equipment		406	-
Acquisition of intangible assets		(11,142)	(904)
Increase in refundable deposits		4,050	(505)
Interest paid	6(5)	(11,628)	(5,820)
Net cash used in investing activities		(463,844)	(198,479)

(Continue on next page)

Wendell Industrial Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
December 31, 2025 and 2024

Unit : In Thousands of New Taiwan Dollars

	Note	Year ended December 31,	
		2025	2024
<u>Cash flows from financing activities</u>			
Increase (decrease) in short-term loans	6(24)	1,703	(1,478)
Proceeds from long-term debt	6(24)	89,600	14,000
Repay corporate debt	6(24)	(1,000)	-
Payments of lease liabilities	6(24)	(37,160)	(36,519)
Capital increase by cash	6(14)	-	262,500
Cash dividends paid	6(16)	(195,719)	(120,420)
Treasury stock repurchase cost	6(14)	(15,598)	-
Net cash generated from (used in) financing activities		<u>158,174</u>	<u>118,083</u>
Effect of exchange rate changes		(2,526)	(11,385)
Net increase in cash and cash equivalents		(127,834)	164,873
Cash and cash equivalents at beginning of period		<u>643,002</u>	<u>478,129</u>
Cash and cash equivalents at end of period		<u>\$ 515,168</u>	<u>\$ 643,002</u>

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

Independent Auditors' Report

(115) Cai-Sheng-Bao-Tzu No. 25005006

Wendell Industrial Co., Ltd. :

Opinions

We have audited the Parent Company Only Balance Sheet of Wendell Industrial Co., Ltd. as of December 31, 2025 and 2024, 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, 2025 and 2024.

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, 2025 and 2024, and its financial performance and cash flows for the annual periods ended December 31, 2025, and 2024, 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 Financial Statements Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountants in the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of the other auditors, 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 judgement, were of most significance in our audit of the Company's 2025 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

The key audit matters of the individual financial statements of Wendell Company's in the year 2025 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 4 (7), Note 4 (8), Note 5 (2) and Note 6 (3) of the parent company only financial statements.

Wendell Company's 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 4 (10), Note 5 (2) and Note 6 (4) of the parent company only financial statements for details.

Wendell 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 Company 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 Company, 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. Verify the accuracy of the inventory aging report.

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 Company's 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 company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the 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 Company's internal control.
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 Company's 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 parent company only financial statements or, if such disclosures are inadequate, to modify our

opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall 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 Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine the key audit matters of the Parent Company Only Financial Statements for the year ended December 31, 2025. 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
CHIU, CHAO-HSIEN

Financial Supervisory Commission
Auditing and Attestation No. :

FSC (Sheng) No. 1060025060
FSC (Sheng) No. 1020049451

March 4, 2026

Wendell Industrial Co., Ltd.
Parent Company Only Balance Sheets
December 31, 2025 and 2024

Unit : In Thousands of New Taiwan Dollars

Code	Assets	Note	December 31, 2025		December 31, 2024	
			Amount	%	Amount	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 344,468	13	\$ 520,756	22
1110	Current financial assets at fair value through profit or loss	6(2)	50,707	2	177,735	7
1150	Notes receivable	6(3)	1,652	-	10,213	-
1170	Accounts receivable	6(3)	504,558	20	473,841	20
1180	Accounts receivable from related parties, net	7	77,444	3	101,315	4
130X	Inventories	6(4)	261,502	10	251,819	10
1470	Other current assets		15,840	1	17,894	1
11XX	Total current assets		<u>1,256,171</u>	<u>49</u>	<u>1,553,573</u>	<u>64</u>
Non-current assets						
1550	Investments accounted for using the equity method	6(5), 7	283,949	11	309,609	13
1600	Property, plant and equipment	6(6), 8	753,876	29	491,489	20
1755	Right-of-use assets	6(7)	46,826	2	30,400	1
1840	Deferred tax assets	6(22)	8,833	-	13,464	1
1900	Other non-current assets	6(8),8	230,188	9	13,087	1
15XX	Total non-current assets		<u>1,323,672</u>	<u>51</u>	<u>858,049</u>	<u>36</u>
1XXX	Total assets		<u>\$ 2,579,843</u>	<u>100</u>	<u>\$ 2,411,622</u>	<u>100</u>

(Continue on next page)

Wendell Industrial Co., Ltd.
Parent Company Only Balance Sheets
December 31, 2025 and 2024

Unit : In Thousands of New Taiwan Dollars

Code	Liabilities and Equity	Note	December 31, 2025		December 31, 2024	
			Amount	%	Amount	%
	Current liabilities					
2100	Short-term loans	6(9)	\$ 217,416	9	\$ 215,713	9
2120	Financial liabilities at fair value through profit or loss	6(2)	738	-	1,567	-
2130	Current contract liabilities	6(18)	225	-	377	-
2170	Accounts payable		178,844	7	173,575	7
2180	Accounts payable from related parties	7	22,100	1	10,895	1
2200	Other accounts payable	6(10)	153,803	6	95,802	4
2220	Other accounts payable from related parties	7	1,105	-	50,314	2
2230	Current tax liabilities		28,622	1	34,870	1
2280	Current lease liabilities (Note 13)	6(7)	21,925	1	19,474	1
2320	Long-term liabilities - current portion	6(11)(12)	103,600	4	326,060	14
2399	Other current liabilities - other		3,706	-	3,116	-
21XX	Total current liabilities		<u>732,084</u>	<u>29</u>	<u>931,763</u>	<u>39</u>
	Non-current liabilities					
2540	Long-term loans	6(12)	-	-	14,000	1
2570	Deferred tax liabilities	6(22)	23,638	1	19,264	1
2580	Non-current lease liabilities	6(7)	25,279	1	11,623	-
2600	Other non-current liabilities		6,916	-	5,029	-
25XX	Total non-current liabilities		<u>55,833</u>	<u>2</u>	<u>49,916</u>	<u>2</u>
2XXX	Total liabilities		<u>787,917</u>	<u>31</u>	<u>981,679</u>	<u>41</u>
	Equity					
	Share	6(15)				
3110	Ordinary share		349,559	14	304,061	12
3130	Certificates of bond-to-stock conversion	6(11)	-	-	5,620	-
	Capital surplus	6(16)				
3200	Capital surplus		900,918	35	614,044	26
	Retained earnings	6(17)				
3310	Legal reserve		115,237	4	93,785	4
3320	Special reserve		6,150	-	2,322	-
3350	Unappropriated retained earnings		444,252	17	416,261	17
	Other equity					
3400	Other equity		(8,592)	-	(6,150)	-
3500	Treasury stock	6(15)	(15,598)	(1)	-	-
3XXX	Total equity		<u>1,791,926</u>	<u>69</u>	<u>1,429,943</u>	<u>59</u>
	Significant contingent liabilities and unrecognized contract commitments	9				
	Significant subsequent events	11				
3X2X	Total liabilities and equity		<u>\$ 2,579,843</u>	<u>100</u>	<u>\$ 2,411,622</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, 2025 and 2024

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

Year ended December 31

Item	Note	2025		2024	
		Amount	%	Amount	%
4000 Operating revenue	6(18), 7	\$ 1,694,272	100	\$ 1,755,190	100
5000 Operating costs	6(4) (21) & 7	(1,107,343)	(65)	(1,231,692)	(70)
5900 Gross profit		586,929	35	523,498	30
5910 Unrealized gross profit		(5,001)	-	(7,345)	-
5920 Realized gross profit		7,345	-	9,438	-
5950 Gross profit, net		589,273	35	525,591	30
Operating expenses	6(21)& 7				
6100 Selling expenses		(116,607)	(7)	(124,738)	(7)
6200 Administrative expenses		(171,230)	(10)	(171,959)	(10)
6300 Research and development expenses		(24,208)	(1)	(19,659)	(1)
6450 Impairment loss determined in accordance with IFRS 9	6(3)	917	-	(260)	-
6000 Total operating expenses		(311,128)	(18)	(316,616)	(18)
6900 Net operating income		278,145	17	208,975	12
Non-operating income and expenses					
7100 Interest income		6,577	-	13,913	1
7010 Other income		1,209	-	1,618	-
7020 Other gains and losses	6(19)	(5,330)	-	28,231	2
7050 Finance costs	6(20)	(3,598)	-	(12,251)	(1)
7070 Profit (loss) share of subsidiaries, affiliated enterprises and joint ventures recognized using the equity method	6(5)	24,441	1	26,159	1
7000 Total non-operating income and expenses		23,299	1	57,670	3
7900 Profit from continuing operations before tax		301,444	18	266,645	15
7950 Tax expense	6(22)	(52,600)	(3)	(52,265)	(3)
8200 Profit (loss)		\$ 248,844	15	\$ 214,380	12
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(13)	\$ 300	-	\$ 406	-
8330 Share of the other comprehensive income of associates accounted for using the equity method	6(5)	(154)	-	(269)	-
Items that may be reclassified subsequently to profit or loss					
8361 Exchange differences on translation of financial statements of overseas operations	6(5)	(2,442)	-	(3,828)	-
8300 Other comprehensive income (net)		(\$ 2,296)	-	(\$ 3,691)	-
8500 Total comprehensive income		\$ 246,548	15	\$ 210,689	12
Earnings per share	6(23)				
9750 Total basic earnings per share		\$	7.34	\$	7.25
9850 Total diluted earnings per share		\$	7.15	\$	6.40

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, 2025 and 2024

Unit : In Thousands of New Taiwan Dollars

	Note	Equity attributed to owners of parent								
		Share			Retained earnings			Exchange differences on translation of financial statements of overseas operations	Treasury stocks	Total
		Ordinary share	Certificates of bond-to-stock conversion	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings			
2024										
Balance at January 1		\$ 251,049	\$ -	\$ 326,681	\$ 83,425	\$ -	\$ 334,846	(\$ 2,322)	\$ -	\$ 993,679
Net profit in the current period		-	-	-	-	-	214,380	-	-	214,380
Other comprehensive income in the current period		-	-	-	-	-	137	(3,828)	-	(3,691)
Total comprehensive income in the current period		-	-	-	-	-	214,517	(3,828)	-	210,689
Earnings Assignment and Distribution in 2023	6(17)									
Legal reserve		-	-	-	10,360	-	(10,360)	-	-	-
Special reserve		-	-	-	-	2,322	(2,322)	-	-	-
Cash dividends		-	-	-	-	-	(120,420)	-	-	(120,420)
Capital increase by cash	6(15)(16)	50,000	-	212,500	-	-	-	-	-	262,500
Share-based payment	6(14)(16)	-	-	13,305	-	-	-	-	-	13,305
Conversion of convertible corporate bonds	6(11)(16)	3,012	5,620	61,558	-	-	-	-	-	70,190
Balance at December 31		\$ 304,061	\$ 5,620	\$ 614,044	\$ 93,785	\$ 2,322	\$ 416,261	(\$ 6,150)	\$ -	\$ 1,429,943
2025										
Balance at January 1		\$ 304,061	\$ 5,620	\$ 614,044	\$ 93,785	\$ 2,322	\$ 416,261	(\$ 6,150)	\$ -	\$ 1,429,943
Net profit in the current period		-	-	-	-	-	248,844	-	-	248,844
Other comprehensive income in the current period		-	-	-	-	-	146	(2,442)	-	(2,296)
Total comprehensive income in the current period		-	-	-	-	-	248,990	(2,442)	-	246,548
Earnings Assignment and Distribution in 2024	6(17)									
Legal reserve		-	-	-	21,452	-	(21,452)	-	-	-
Special reserve		-	-	-	-	3,828	(3,828)	-	-	-
Cash dividends		-	-	-	-	-	(195,719)	-	-	(195,719)
Treasury stocks buyback	6(15)	-	-	-	-	-	-	(15,598)	(15,598)	(15,598)
Conversion of convertible corporate bonds	6(11)(16)	45,498	(5,620)	286,874	-	-	-	-	-	326,752
Balance at December 31		\$ 349,559	\$ -	\$ 900,918	\$ 115,237	\$ 6,150	\$ 444,252	(\$ 8,592)	(\$ 15,598)	\$ 1,791,926

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, 2025 and 2024

Unit : In Thousands of New Taiwan Dollars
Year ended December 31

	Note	2025	2024
<u>Cash flows from operating activities, indirect method</u>			
Profit before tax		\$ 301,444	\$ 266,645
Adjustment items			
Adjustments to reconcile profit (loss)			
Unrealized gross profit		5,001	7,345
Realized gross profit		(7,345)	(9,438)
Depreciation expense	6(21)	30,240	34,870
Amortization expense	6(21)	4,110	1,178
Expected credit loss	6(3)	(917)	260
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	6(19)	(581)	3,043
Interest	6(20)	3,598	12,251
Interest income		(6,577)	(13,913)
Profit and loss share of subsidiaries, affiliated enterprises and joint ventures recognized using the equity method	6(5)	(24,441)	(26,159)
Profit from lease modification		(58)	3
Unrealized foreign currency exchange loss		14	(7,409)
Share-based compensation	6(14)	-	13,305
Changes in operating assets and liabilities			
Total changes in operating assets			
Financial assets measured at fair value through profit or loss		126,762	(95,195)
Notes receivable		8,563	(2,427)
Accounts receivable		(29,802)	(83,330)
Accounts receivable - related parties		23,871	32,387
Inventories		(9,683)	34,280
Other current assets		3,198	(5,090)
Total changes in operating liabilities			
Contract liabilities - current		(152)	(97)
Accounts payable		5,269	48,741
Accounts payable - related parties		11,205	1,724
Other accounts payable		9,716	10,173
Other accounts payable - related parties		639	98
Other current liabilities - other		590	1,105
Net defined benefit liability		1	(2)
Cash generated from operations		456,665	224,348
Interest collected		5,433	9,903
Interest paid		(1,900)	(5,056)
Income tax paid		(49,843)	(43,709)
Net cash generated from operating activities		<u>408,355</u>	<u>185,486</u>

(Continue on next page)

Wendell Industrial Co., Ltd.
Parent Company Only Statements of Cash Flows
December 31, 2025 and 2024

Unit : In Thousands of New Taiwan Dollars

	Note	Year ended December 31	
		2025	2024
<u>Cash flows from investing activities</u>			
Financial assets measured at amortized cost - Decrease in current assets		\$ -	\$ 2,000
Cash dividends distributed from investments using the equity method	7	-	9,416
Acquisition of property, plant and equipment	6(24)	(420,095)	(157,710)
Acquisition of intangible assets		(10,156)	(904)
Decrease (increase) in refundable deposits		3,195	53
Interest paid	6(6)	(11,628)	(5,820)
Net cash used in investing activities		(438,684)	(152,965)
<u>Cash flows from financing activities</u>			
Increase (decrease) in short-term loans	6(25)	1,703	(1,478)
Proceeds from long-term debt	6(25)	89,600	14,000
Payments of lease liabilities	6(25)	(24,945)	(26,060)
Capital increase by cash	6(15)	-	262,500
Cash dividends paid	6(17)	(195,719)	(120,420)
Repay corporate debt	6(25)	(1,000)	-
Treasury stock repurchase cost	6(15)	(15,598)	-
Net cash generated from (used in) financing activities		(145,959)	128,542
Net increase in cash and cash equivalents		(176,288)	161,063
Cash and cash equivalents at beginning of period		520,756	359,693
Cash and cash equivalents at end of period		\$ 344,468	\$ 520,756

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

Wendell Industrial Co., Ltd.
Profit Distribution Table

2025

Item	Unit: NT\$
Beginning undistributed surplus	\$ 195,263,168
Net profit after tax	\$ 248,843,366
Changed amount of gains (losses) on remeasurements of defined benefit plans	145,826
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	248,989,192
Withdrawal of legal reserve (10%)	(24,898,919)
Withdrawal of special surplus reserve (Shareholders' equity minus- Exchange Differences on Translating the Financial Statements of Foreign Operations)	(2,442,041)
Surplus available for distribution in the current period	416,911,400
Distribution paragraphs:	
Shareholder dividends - stock	0
Shareholder dividends - cash	(208,691,202)
Ending undistributed surplus	\$ 208,220,198

Wendell Industrial Co., Ltd.

Comparison Table of “Articles of Incorporation”

Article	Before Amendment	After Amendment	Reason for Amendment
Article 14	<p>The Board of Directors shall be composed of directors. A chairman and a vice chairman shall be elected from among the directors by a majority vote at a meeting attended by at least two-thirds of all directors. The chairman shall represent the Company externally. Except for the first board meeting of each term, which shall be convened by the director who has received the highest number of votes after re-election, meetings of the Board shall be convened by the chairman, who shall also act as the chair of such meetings. In the absence of the chairman, a proxy shall be appointed in accordance with Article 208 of the Company Act. Meetings of the Board may be convened in writing, by email, or by facsimile.</p>	<p>The Board of Directors shall be composed of directors. A chairman shall be elected from among the directors by a majority vote at a meeting attended by at least two-thirds of all directors, and a vice chairman may be elected in the same manner. The chairman shall represent the Company externally. Except for the first board meeting of each term, which shall be convened by the director who has received the highest number of votes after re-election, meetings of the Board shall be convened by the chairman, who shall also act as the chair of such meetings. In the absence of the chairman, a proxy shall be appointed in accordance with Article 208 of the Company Act. Meetings of the Board may be convened in writing, by email, or by facsimile.</p>	To align with the Company’s operational practices.
Article 20-2	<p>Treasury shares repurchased by the Company in accordance with the Company Act may be transferred to employees, including employees of controlled or subordinate companies who meet certain conditions.</p> <p>Recipients of employee stock options may include employees of controlled or subordinate companies who meet certain conditions.</p> <p>Employees eligible to subscribe for new shares issued by the Company may include employees of controlled or subordinate companies who meet certain conditions.</p>	<p>Treasury shares repurchased by the Company in accordance with the Company Act may be transferred to employees, including employees of controlled or subordinate companies who meet certain conditions, with such conditions and allocation to be determined by the Board of Directors.</p> <p>Recipients of employee stock options may include employees of controlled or subordinate companies who meet certain conditions, with such conditions and allocation to be determined by the Board of Directors.</p> <p>Employees eligible to subscribe for new shares issued by the Company may include employees of controlled or subordinate companies who meet certain conditions, with such conditions</p>	To align with the Company’s operational practices.

Article	Before Amendment	After Amendment	Reason for Amendment
Article 20-2 (Continued)	Recipients of restricted shares issued to employees may include employees of controlled or subordinate companies who meet certain conditions.	<u>and allocation to be determined by the Board of Directors.</u> Recipients of restricted shares issued to employees may include employees of controlled or subordinate companies who meet certain conditions, <u>with such conditions and allocation to be determined by the Board of Directors.</u>	To align with the Company's operational practices.
Article 22	These Articles of Incorporation were established on June 11, 1977. First amendment on July 23, 1979. Second amendment on November 8, 1980. Third amendment on June 21, 1993. Fourth amendment on August 25, 1997. Fifth amendment on January 30, 2001. Sixth amendment on December 6, 2001. Seventh amendment on June 27, 2003. Eighth amendment on March 10, 2004. Ninth amendment on June 24, 2004. Tenth amendment on July 12, 2004. Eleventh amendment on December 29, 2004. Twelfth amendment on September 12, 2005. Thirteenth amendment on September 12, 2005. Fourteenth amendment on August 16, 2006. Fifteenth amendment on January 8, 2007. Sixteenth amendment on November 8, 2007. Seventeenth amendment on October 2, 2008. Eighteenth amendment on May 31, 2010. Nineteenth amendment on July 28, 2010. Twentieth amendment on September 20, 2011. Twenty-first amendment on January 12, 2016. Twenty-second amendment on March 11, 2016.	These Articles of Incorporation were established on June 11, 1977. First amendment on July 23, 1979. Second amendment on November 8, 1980. Third amendment on June 21, 1993. Fourth amendment on August 25, 1997. Fifth amendment on January 30, 2001. Sixth amendment on December 6, 2001. Seventh amendment on June 27, 2003. Eighth amendment on March 10, 2004. Ninth amendment on June 24, 2004. Tenth amendment on July 12, 2004. Eleventh amendment on December 29, 2004. Twelfth amendment on September 12, 2005. Thirteenth amendment on September 12, 2005. Fourteenth amendment on August 16, 2006. Fifteenth amendment on January 8, 2007. Sixteenth amendment on November 8, 2007. Seventeenth amendment on October 2, 2008. Eighteenth amendment on May 31, 2010. Nineteenth amendment on July 28, 2010. Twentieth amendment on September 20, 2011. Twenty-first amendment on January 12, 2016. Twenty-second amendment on March 11, 2016.	Addition of amendment record.

Article	Before Amendment	After Amendment	Reason for Amendment
Article 22 (Continued)	<p>Twenty-third amendment on June 20, 2016.</p> <p>Twenty-fourth amendment on May 3, 2017.</p> <p>Twenty-fifth amendment on June 27, 2018.</p> <p>Twenty-sixth amendment on June 19, 2019.</p> <p>Twenty-seventh amendment on November 12, 2019.</p> <p>Twenty-eighth amendment on June 11, 2020.</p> <p>Twenty-ninth amendment on June 16, 2022.</p> <p>Thirtieth amendment on May 30, 2023.</p> <p>Thirty-first amendment on May 28, 2025.</p>	<p>Twenty-third amendment on June 20, 2016.</p> <p>Twenty-fourth amendment on May 3, 2017.</p> <p>Twenty-fifth amendment on June 27, 2018.</p> <p>Twenty-sixth amendment on June 19, 2019.</p> <p>Twenty-seventh amendment on November 12, 2019.</p> <p>Twenty-eighth amendment on June 11, 2020.</p> <p>Twenty-ninth amendment on June 16, 2022.</p> <p>Thirtieth amendment on May 30, 2023.</p> <p>Thirty-first amendment on May 28, 2025.</p> <p><u>Thirty-second amendment on May 26, 2026.</u></p>	Addition of amendment record.

Wendell Industrial Co., Ltd.
**Comparison Table of “Acquisition or Disposition of Assets
Processing Procedure”**

Article	Before Amendment	After Amendment	Reason for Amendment
Article 1	In order to provide the Company with guidelines for the acquisition or disposal of assets, these <u>Operating Procedures</u> are hereby established.	In order to provide the Company with guidelines for the acquisition or disposal of assets, these <u>Procedures</u> are hereby established.	Revised to align with operational practices.
Article 2, Paragraph 1, Subparagraph 1	1. Marketable securities: including stocks, government bonds, corporate bonds, financial bonds, securities representing funds, <u>domestic beneficiary certificates, overseas mutual funds</u> , depository receipts, call (put) warrants, beneficiary securities, and asset-backed securities, etc.	1. Marketable securities: including stocks, government bonds, corporate bonds, financial bonds, securities representing funds, depository receipts, call (put) warrants, beneficiary securities, and asset-backed securities, etc.	Revised in accordance with regulatory requirements and operational practices.
Article 3, Paragraph 1, Subparagraph 7	7. The term “within one year” refers to the one-year period retroactively calculated from the date of the current acquisition or disposal of assets. Portions that have already been publicly announced need not be included.	None	Deleted in accordance with operational practices.
Article 3, Paragraph 1, Subparagraph 8	8. The term “latest financial statements” refers to the financial statements that have been publicly disclosed and audited or reviewed by a certified public accountant in accordance with the law prior to the acquisition or disposal of assets.	7. The term “latest financial statements” refers to the financial statements that have been publicly disclosed and audited or reviewed by a certified public accountant in accordance with the law prior to the acquisition or disposal of assets.	Original Subparagraph 8 renumbered as Subparagraph 7.
Article 6	Operating Procedures <u>When the Company acquires or disposes of assets, the responsible unit shall</u> evaluate the reasons for acquisition or disposal, subject matter, counterparties, transfer price, payment terms, reference prices, and other relevant matters, and to handle such matters in accordance with the relevant provisions of the Company’s internal	Operating Procedures <u>The authorization limits and approval hierarchy for the Company’s acquisition or disposal of assets are as follows:</u> 1. <u>Acquisition or disposal of domestic marketable securities: (1) Where the total investment amount is less than NT\$300 million, the Chairman is authorized by the Board of</u>	Revised in accordance with regulatory requirements and operational practices.

Article	Before Amendment	After Amendment	Reason for Amendment
Article 6 (Continued)	control system. Where necessary, professional appraisal institutions may be engaged for valuation, or securities analysts may be requested to provide opinions.	<p><u>Directors to make decisions. Where the amount exceeds the aforementioned threshold, approval by the Board of Directors is required.</u></p> <p><u>(2)The total investment amount refers to the aggregate original investment amount of domestic marketable securities held by the Company.</u></p> <p>2. <u>Acquisition or disposal of foreign marketable securities:</u></p> <p><u>(1)Where the total transaction amount is less than USD 8 million, the Chairman is authorized by the Board of Directors to make decisions. Where the amount exceeds the aforementioned threshold, approval by the Board of Directors is required.</u></p> <p><u>(2)The “total investment amount” refers to the aggregate original investment amount of foreign marketable securities held by the Company.</u></p> <p>3. <u>Acquisition or disposal of real estate or right-of-use assets: Where the transaction amount is less than 20% of paid-in capital, 10% of total assets, or NT\$300 million, the Chairman is authorized by the Board of Directors to make decisions. Where the amount exceeds the aforementioned threshold, approval by the Board of Directors is required.</u></p> <p>4. <u>Acquisition or disposal of assets other than those described above (including equipment or right-of-use assets, membership certificates, patent rights, copyrights, trademarks, franchise</u></p>	Revised in accordance with regulatory requirements and operational practices.

Article	Before Amendment	After Amendment	Reason for Amendment
<p>Article 6 (Continued)</p>		<p><u>rights, and other intangible assets):</u> <u>Where the transaction amount is less than 20% of paid-in capital, 10% of total assets, or NT\$300 million, the Chairman is authorized by the Board of Directors to make decisions.</u> <u>Where the amount exceeds the aforementioned threshold, approval by the Board of Directors is required.</u></p> <p>5. <u>Acquisition or disposal of derivatives shall be handled by authorized personnel in accordance with Articles 18 to 21 of these Procedures and subsequently reported to the most recent Board meeting.</u></p> <p><u>Execution Units</u></p> <p>1. <u>Marketable securities and derivatives: Finance Department.</u> 2. <u>Real estate, equipment, intangible assets, membership certificates, right-of-use assets, and assets acquired or disposed of through mergers, demergers, acquisitions, or share transfers: user departments and relevant responsible units.</u></p> <p><u>The transaction procedures referred to in the preceding paragraph shall require the responsible unit of the Company to evaluate the reasons for the proposed acquisition or disposal, the subject matter, counterparties, transfer price, payment terms, reference prices, and other relevant matters, and to handle such matters in accordance with the relevant provisions of the Company's internal control system. Where necessary, professional appraisal institutions may be engaged for valuation, or</u></p>	<p>Revised in accordance with regulatory requirements and operational practices.</p>

Article	Before Amendment	After Amendment	Reason for Amendment
Article 6 (Continued)		securities analysts may be requested to provide opinions.	Revised in accordance with regulatory requirements and operational practices.
Article 7, Paragraph 1, Subparagraph 4	4. Acquisition or disposal of equipment for business use or its right-of-use assets, where the counterparty is not a related party, and the transaction amount <u>meets any of the following conditions:</u> <u>(1) For a public company with paid-in capital of less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.</u> <u>(2) For a public company with paid-in capital of NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.</u>	4. Acquisition or disposal of equipment for business use or its right-of-use assets, where the counterparty is not a related party, and the transaction amount <u>reaches NT\$500 million or more.</u>	Deleted in accordance with operational practices.
Article 7, Paragraph 1, Subparagraph 6	6. Asset transactions other than those specified <u>above subparagraph</u> , disposal of creditor's rights by financial institutions, or investment in Mainland China, where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more. However, the following circumstances are not subject to this limitation: (omitted)	6. Asset transactions other than those specified <u>in the preceding five subparagraphs</u> , disposal of creditor's rights by financial institutions, or investment in Mainland China, where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more. However, the following circumstances are not subject to this limitation: (omitted)	Revised in accordance with operational practices.
Article 7, Paragraph 3	The term within one year as referred to in <u>the preceding paragraph</u> is calculated retroactively from the date of occurrence of the current transaction. Portions that have already been publicly announced in accordance with these Regulations need not be included.	The term within one year as referred to in <u>Paragraph 2</u> is calculated retroactively from the date of occurrence of the current transaction. Portions that have already been publicly announced in accordance with these Regulations need not be included.	Revised in accordance with operational practices.

Article	Before Amendment	After Amendment	Reason for Amendment
Article 9, Paragraph 1	Where a subsidiary of the Company is not a domestic public company, and its acquisition or disposal of assets meets the criteria for public announcement and filing under <u>the preceding chapter</u> of the “Regulations Governing the Acquisition or Disposal of Assets by Public Companies,” such announcement and filing shall be handled by the Company.	Where a subsidiary of the Company is not a domestic public company, and its acquisition or disposal of assets meets the criteria for public announcement and filing under <u>Articles 31 and 32</u> of the “Regulations Governing the Acquisition or Disposal of Assets by Public Companies,” such announcement and filing shall be handled by the Company.	Revised in accordance with operational practices.
Article 9-2	Article 9-2 For the provisions regarding 10% of total assets in these Procedures, the amount shall be calculated based on the total assets in the most recent individual or separate financial statements prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Where the Company’s shares have no par value or a par value other than NT\$10 per share, the transaction amount of 20% of paid-in capital shall be calculated as 10% of equity attributable to owners of the Company. <u>The transaction amount threshold for companies with paid-in capital of NT\$10 billion shall be calculated as NT\$20 billion of equity attributable to owners of the parent.</u>	Article 9-1 For the provisions regarding 10% of total assets in these Procedures, the amount shall be calculated based on the total assets in the most recent individual or separate financial statements prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Where the Company’s shares have no par value or a par value other than NT\$10 per share, the transaction amount of 20% of paid-in capital shall be calculated as 10% of equity attributable to owners of the Company.	Deletion and renumbering of provisions; revised in accordance with operational practices.
Article 14, Paragraph 1, Subparagraph 3	3. When acquiring real estate or its right-of-use assets from a related party, relevant information for evaluating the reasonableness of the proposed transaction terms shall be prepared in accordance with Articles <u>16</u> and <u>17</u> .	3. When acquiring real estate or its right-of-use assets from a related party, relevant information for evaluating the reasonableness of the proposed transaction terms shall be prepared in accordance with Articles <u>15</u> and <u>16</u> .	Revised in accordance with operational practices.
Article 14, Paragraph 2	For transactions between the Company and its subsidiaries, or between subsidiaries in which the Company directly or indirectly holds	For transactions between the Company and its subsidiaries, or between subsidiaries in which the Company directly or indirectly holds	Revised in accordance with operational practices.

Article	Before Amendment	After Amendment	Reason for Amendment
Article 14, Paragraph 2 (Continued)	100% of the issued shares or total capital, the Board of Directors may authorize the Chairman to make decisions within <u>a certain limit</u> , and subsequently submit them to the most recent Board meeting for ratification.	100% of the issued shares or total capital, the Board of Directors may authorize the Chairman to make decisions within <u>10% of paid-in capital</u> , and subsequently submit them to the most recent Board meeting for ratification.	Revised in accordance with operational practices.
Article 14, Paragraph 6	The calculation of transaction amounts under Paragraph 1 and Paragraph above shall be handled in accordance with Article <u>31</u> , Paragraph 2, and the term " <u>within one year</u> " shall be calculated <u>retroactively from the date of occurrence of the current transaction. Portions already submitted to the shareholders' meeting, approved by the Board of Directors, and recognized by the Audit Committee need not be included.</u>	The calculation of transaction amounts under Paragraph 1 and Paragraph above shall be handled in accordance with Article <u>12-1</u> .	Revised in accordance with operational practices.
Article 16 (Continued)	Where the evaluation results conducted by the Company in accordance with Paragraphs 1 and 2 of the preceding Article are lower than the transaction price, the Company shall proceed in accordance with Article <u>18</u> . However, this shall not apply where the following circumstances exist and objective evidence is provided along with specific and reasonable opinions issued by a professional real estate appraiser and a certified public accountant: 1. Where the related party acquired undeveloped land or leased land for construction, and one of the following conditions can be demonstrated: (1) The undeveloped land is evaluated in accordance with the methods prescribed in the preceding Article, and the	Where the evaluation results conducted by the Company in accordance with Paragraphs 1 and 2 of the preceding Article are lower than the transaction price, the Company shall proceed in accordance with Article <u>17</u> . However, this shall not apply where the following circumstances exist and objective evidence is provided along with specific and reasonable opinions issued by a professional real estate appraiser and a certified public accountant: <u>1.</u> Where the related party acquired undeveloped land or leased land for construction, and one of the following conditions can be demonstrated: (1)The undeveloped land is evaluated in accordance with the methods prescribed in the preceding Article, and the	Renumbering of provisions.

Article	Before Amendment	After Amendment	Reason for Amendment
Article 16 (Continued)	<p>building is calculated based on the related party's construction cost plus reasonable construction profit, and the total exceeds the actual transaction price. The reasonable construction profit shall be based on the lower of the average gross margin of the related party's construction division over the past three years or the most recent gross margin for the construction industry published by the Ministry of Finance.</p> <p>(2) Transactions involving other floors of the same property or properties in neighboring areas within one year that are conducted with non-related parties, with similar floor area, and whose transaction conditions are comparable after adjusting for reasonable differences in floors or regions in accordance with real estate transaction or leasing practices.</p> <p><u>1.</u> The Company can provide evidence that the transaction conditions for acquiring real estate or right-of-use assets from a related party are comparable to transactions involving non-related parties in neighboring areas within one year and with similar floor area.</p>	<p>building is calculated based on the related party's construction cost plus reasonable construction profit, and the total exceeds the actual transaction price. The reasonable construction profit shall be based on the lower of the average gross margin of the related party's construction division over the past three years or the most recent gross margin for the construction industry published by the Ministry of Finance.</p> <p>(2) Transactions involving other floors of the same property or properties in neighboring areas within one year that are conducted with non-related parties, with similar floor area, and whose transaction conditions are comparable after adjusting for reasonable differences in floors or regions in accordance with real estate transaction or leasing practices.</p> <p><u>2.</u> The Company can provide evidence that the transaction conditions for acquiring real estate or right-of-use assets from a related party are comparable to transactions involving non-related parties in neighboring areas within one year and with similar floor area.</p>	Renumbering of provisions.
Article 17, Paragraph 1, Subparagraph 1	Where the Company acquires real estate or right-of-use assets from a related party, and the evaluation results conducted in accordance with the preceding two Articles are lower than the transaction price, the Company shall handle the following	Where the Company acquires real estate or right-of-use assets from a related party, and the evaluation results conducted in accordance with the preceding two Articles are lower than the transaction price, the Company shall handle the following	Revised in accordance with operational practices.

Article	Before Amendment	After Amendment	Reason for Amendment
<p>Article 17, Paragraph 1, Subparagraph 1 (Continued)</p>	<p>matters:</p> <p>1. The difference between the transaction price of the real estate or right-of-use assets and the evaluated cost shall be appropriated as a special reserve in accordance with Article 41, Paragraph 1 of the Securities and Exchange Act, and shall not be distributed or used for capital increase by issuing shares. Where an investor adopting the equity method is a public company, such investor shall also appropriate a special reserve in proportion to its shareholding in accordance with Article 41, Paragraph 1 of <u>this law</u>.</p>	<p>matters:</p> <p>1. The difference between the transaction price of the real estate or right-of-use assets and the evaluated cost shall be appropriated as a special reserve in accordance with Article 41, Paragraph 1 of the Securities and Exchange Act, and shall not be distributed or used for capital increase by issuing shares. Where an investor adopting the equity method is a public company, such investor shall also appropriate a special reserve in proportion to its shareholding in accordance with Article 41, Paragraph 1 of the <u>Securities and Exchange Act</u>.</p>	<p>Revised in accordance with operational practices.</p>
<p>Article 19</p>	<p>1. <u>The total amount of derivatives trading contracts undertaken by the company is:</u> The total contract amount shall be limited to 30% of the Company's net worth. The net worth shall be based on the most recent financial statements audited or reviewed by a certified public accountant.</p> <p>2. Limits on total and individual contract losses:</p> <p>(1) For foreign exchange hedging forward contracts, the total <u>and individual</u> loss limits shall be 10% of the transaction amount.</p> <p>(2) For interest rate swap hedging transactions, the total and individual loss limits shall be 10% of the transaction amount.</p> <p>(3) For other derivative products, the total and individual loss limits shall be 10% of the transaction amount.</p> <p><u>If any of the above stop-loss limits is</u></p>	<p><u>When the Company engages in derivatives trading, the following matters shall be observed:</u></p> <p>1. Total amount of derivative contracts: The total contract amount shall be limited to 30% of the Company's net worth. The net worth shall be based on the most recent financial statements audited or reviewed by a certified public accountant.</p> <p>2. Limits on total and individual contract losses:</p> <p>(1) For foreign exchange hedging forward contracts, the total loss limit shall be 10% of the transaction amount, <u>and the individual contract loss limit shall be 15% of the transaction amount.</u></p> <p>(2) For interest rate swap hedging transactions, the total and individual loss limits shall be 10% of the transaction amount.</p> <p>(3) For other derivative products,</p>	<p>Revised in accordance with regulatory requirements.</p>

Article	Before Amendment	After Amendment	Reason for Amendment
Article 19 (Continued)	reached, <u>the position shall be immediately closed unless approval is obtained from the Chairman on a case-by-case basis, in order to effectively control risk.</u>	the total and individual loss limits shall be 10% of the transaction amount. <u>Where any of the above stop-loss limits is reached, if the responsible unit deems it necessary, the case shall be submitted to the Chairman for approval, and the responsible unit shall handle the matter in accordance with the approved decision.</u>	Revised in accordance with regulatory requirements.
Article 23	Where the Company conducts a merger, demerger, acquisition, or share transfer, it shall, prior to convening the Board of Directors meeting for resolution, engage a certified public accountant, attorney, or securities underwriter to issue an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit such opinion to the Board of Directors for discussion and approval. However, where <u>a public company</u> merges with a subsidiary in which it directly or indirectly holds 100% of the issued shares or total capital, or where such subsidiaries merge with each other, the requirement to obtain the aforesaid expert opinion may be exempted.	Where the Company conducts a merger, demerger, acquisition, or share transfer, it shall, prior to convening the Board of Directors meeting for resolution, engage a certified public accountant, attorney, or securities underwriter to issue an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit such opinion to the Board of Directors for discussion and approval. However, where <u>the Company</u> merges with a subsidiary in which it directly or indirectly holds 100% of the issued shares or total capital, or where such subsidiaries merge with each other, the requirement to obtain the aforesaid expert opinion may be exempted.	Revised in accordance with operational practices.
Article 24, Paragraph 2	Where the Company participates in a merger, demerger, or acquisition, if <u>the shareholders' meeting cannot be convened or a resolution cannot be adopted due to insufficient attendance, insufficient voting rights, or other legal restrictions, or if the proposal is rejected by the shareholders' meeting, the Company shall immediately publicly disclose the reasons for such occurrence,</u>	Where the Company participates in a merger, demerger, or acquisition, if <u>any party's shareholders' meeting cannot be convened or a resolution cannot be adopted due to insufficient attendance, insufficient voting rights, or other legal restrictions, or if the proposal is rejected by the shareholders' meeting, the Company shall immediately publicly disclose the reasons for such occurrence,</u>	Revised in accordance with regulatory and operational requirements.

Article	Before Amendment	After Amendment	Reason for Amendment
Article 24, Paragraph 2 (Continued)	subsequent handling procedures, and the expected date for convening the shareholders' meeting.	subsequent handling procedures, and the expected date for convening the shareholders' meeting.	Revised in accordance with regulatory and operational requirements.
Article 25, Paragraph 2	Companies participating in a share transfer shall convene a Board of Directors meeting on the same day, unless otherwise provided by law or where special circumstances have been approved in advance by <u>this association</u> .	Companies participating in a share transfer shall convene a Board of Directors meeting on the same day, unless otherwise provided by law or where special circumstances have been approved in advance by <u>the competent authority</u> .	Revised in accordance with operational practices.
Article 25, Paragraph 5	None	<u>Where any company participating in a merger, demerger, acquisition, or share transfer is not a listed company or a company whose shares are traded over-the-counter, the listed or OTC company shall enter into an agreement with such company and handle the matter in accordance with the provisions of the preceding two paragraphs.</u>	Revised in accordance with regulatory and operational requirements.
Article 31	The total amount of real estate and right-of-use assets acquired by the Company and its subsidiaries for non-operating use shall not exceed 10% of total assets, and the amount of individual securities investments shall not exceed <u>50%</u> of total assets.	The total amount of real estate and right-of-use assets acquired by the Company and its subsidiaries for non-operating use shall not exceed 10% of total assets, and the amount of individual securities investments shall not exceed <u>10%</u> of total assets.	Revised in accordance with operational practices.
Article 33	Penalties Where managerial officers or responsible personnel of the Company violate these <u>Operating Procedures</u> , they shall be subject to disciplinary actions in accordance with <u>the performance evaluation rules</u> . In serious cases, they shall be removed from office and investigated, and the Company may seek compensation for any damages incurred in accordance with the law.	Penalties Where managerial officers or responsible personnel of the Company violate these <u>Procedures</u> , they shall be subject to disciplinary actions in accordance with <u>relevant personnel regulations</u> . In serious cases, they shall be removed from office and investigated, and the Company may seek compensation for any damages incurred in accordance with the law.	Revised in accordance with operational practices.
Article 35	Supplementary Provisions These <u>Operating Procedures</u> shall be approved by more than half of all	Supplementary Provisions These <u>Procedures</u> shall be approved by more than half of all members of	Revised in accordance with operational

Article	Before Amendment	After Amendment	Reason for Amendment
Article 35 (Continued)	members of the Audit Committee, submitted to the Board of Directors for resolution, and then submitted to the shareholders' meeting for approval before implementation. The same shall apply to any amendments. If any director expresses dissent and such dissent is recorded or stated in writing, the Company shall submit such dissenting opinions to the Audit Committee. If the Company has established independent directors, when submitting the "Acquisition or Disposition of Assets Processing Procedure" to the Board of Directors for discussion, full consideration shall be given to the opinions of each independent director, and such opinions and reasons for approval or objection shall be recorded in the minutes of the Board meeting. If the approval of more than half of all members of the Audit Committee is not obtained, the matter may be approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board meeting.	the Audit Committee, submitted to the Board of Directors for resolution, and then submitted to the shareholders' meeting for approval before implementation. The same shall apply to any amendments. If any director expresses dissent and such dissent is recorded or stated in writing, the Company shall submit such dissenting opinions to the Audit Committee. If the Company has established independent directors, when submitting the "Acquisition or Disposition of Assets Processing Procedure" to the Board of Directors for discussion, full consideration shall be given to the opinions of each independent director, and such opinions and reasons for approval or objection shall be recorded in the minutes of the Board meeting. If the approval of more than half of all members of the Audit Committee is not obtained, the matter may be approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board meeting.	practices.
Article 36	These Procedures shall be implemented upon approval by the shareholders' meeting, and the same shall apply to any amendments. These Procedures were adopted on August 15, 2018 upon approval by the Board of Directors, and were implemented after approval by the shareholders' meeting on June 19, 2019. First amendment approved on October 3, 2019 and implemented after approval on November 12, 2019.	These <u>Processing</u> Procedures shall be implemented upon approval by the shareholders' meeting, and the same shall apply to any amendments. These <u>Processing</u> Procedures were adopted on August 15, 2018 upon approval by the Board of Directors, and were implemented after approval by the shareholders' meeting on June 19, 2019. First amendment approved on October 3, 2019 and implemented after approval on November 12, 2019.	Revised in accordance with operational practices and addition of amendment record.

Article	Before Amendment	After Amendment	Reason for Amendment
	Second amendment approved on March 24, 2022 and implemented after approval on June 16, 2022.	Second amendment approved on March 24, 2022 and implemented after approval on June 16, 2022. <u>Third amendment approved on April 13, 2026 by the Board of Directors and implemented after approval by the shareholders' meeting on May 26, 2026.</u>	

Wendell Industrial Co., Ltd.

Comparison Table of “Procedures for Lending Funds to Other Parties”

Article	Before Amendment	After Amendment	Reason for Amendment
1.	1.Purpose	<u>Article 1. Purpose</u>	Revised in accordance with operational practices.
2.	<p>2. Scope</p> <p>These <u>Guidelines</u> apply to the Company and its subsidiaries. These <u>Guidelines</u> “subsidiary” and “parent company” as used herein shall be determined in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.</p> <p>Where the Company prepares its financial reports in accordance with International Financial Reporting Standards, these <u>Guidelines</u> “net worth” as used herein refers to the equity attributable to owners of the parent as shown in the balance sheet under the said Regulations.</p>	<p><u>Article 2. Scope</u></p> <p><u>1.</u> These <u>Procedures</u> apply to the Company and its subsidiaries.</p> <p><u>2.</u> These <u>Procedures</u> “subsidiary” and “parent company” as used herein shall be determined in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.</p> <p><u>3.</u> Where the Company prepares its financial reports in accordance with International Financial Reporting Standards, these <u>Procedures</u> “net worth” as used herein refers to the equity attributable to owners of the parent as shown in the balance sheet under the said Regulations.</p>	
3.	<p>3.Authority and Responsibility</p> <p>The Accounting and Finance Department shall be the responsible unit for these <u>Guidelines</u> and shall be responsible for their formulation and amendment.</p>	<p><u>Article 3. Authority and Responsibility</u></p> <p>The Accounting and Finance Department shall be the responsible unit for these <u>Procedures</u> and shall be responsible for their formulation and amendment.</p>	
4.	4. Definitions	<u>Article 4. Definitions</u>	
5.	5. Procedures	<u>Article 5. Procedures</u>	
6. (1)	<p>6. Content</p> <p>(1) The Company shall comply with Article 15 of the Company Act. Except for the following <u>Subparagraph</u> circumstances, funds shall not be loaned to shareholders or any other persons:</p>	<p><u>Article 6. Content</u></p> <p><u>1.Conditions for loaning funds to others</u></p> <p>(1) The Company shall comply with Article 15 of the Company Act. Except for the following <u>Item</u> circumstances, funds shall not be loaned to shareholders or any other persons:</p>	Revised in accordance with operational practices.

Article	Before Amendment	After Amendment	Reason for Amendment
6. (1) (Continued)	<p><u>1.</u> Where there is a business relationship between companies or firms.</p> <p><u>2.</u> Where there is a necessity for short-term financing between companies or firms; provided that the amount of such financing shall not exceed 40% of the net worth of the lending company.</p> <p>The term “short-term” as referred to above <u>Paragraph</u> means one year; provided, however, that where the Company’s operating cycle exceeds one year, such cycle shall prevail.</p> <p>The term “financing amount” as referred to in <u>Paragraph (1), Subparagraph 2</u> means the cumulative amount of short-term financing provided by the Company. Where overseas companies in which the Company directly or indirectly holds 100% of the voting shares engage in intercompany loans of funds, such loans shall not be subject to the restriction under <u>Subparagraph 2 of Paragraph 1</u>; however, limits and terms shall still be prescribed in accordance with <u>Articles (2), (3), and (4)</u>.</p>	<p><u>i.</u> Where there is a business relationship between companies or firms.</p> <p><u>ii.</u> Where there is a necessity for short-term financing between companies or firms; provided that the amount of such financing shall not exceed 40% of the net worth of the lending company.</p> <p>(2) The term “short-term” as referred to above <u>Subparagraph</u> means one year; provided, however, that where the Company’s operating cycle exceeds one year, such cycle shall prevail.</p> <p>(3) The term “financing amount” as referred to in <u>Subparagraph (1), Item 2</u> means the cumulative amount of short-term financing provided by the Company.</p>	Revised in accordance with operational practices.
6. (2)	<p>(2)</p> <p>The total amount of funds loaned <u>shall not exceed 40% of the Company’s most recent net worth audited or reviewed by a certified public accountant.</u></p> <p>For companies or firms having business relationships with the Company, the amount of <u>each</u> loan shall not exceed the amount of business transactions between both</p>	<p>2. Total amount and limits for individual counterparties</p> <p><u>(1) Total amount of loans: The total amount of funds loaned by the Company shall not exceed 50% of the Company’s net worth, of which:</u></p> <p><u>i.</u> For companies or firms having business relationships with the Company, the total amount of loans shall not exceed the amount of business</p>	Revised in accordance with operational practices.

Article	Before Amendment	After Amendment	Reason for Amendment
<p>6. (2) (Continued)</p>	<p>parties. <u>The term “business transaction amount” refers to the higher of the purchase or sales amount between the two parties.</u></p> <p>For <u>subsidiaries</u> requiring short-term financing, the amount of each loan shall not exceed 10% of the Company’s net worth.</p>	<p>transactions between both parties.</p> <p>ii. <u>For companies or firms requiring short-term financing, the total amount of loans shall not exceed 40% of the Company’s net worth.</u></p> <p><u>(2) Limits for individual counterparties:</u></p> <p>i. <u>For companies or firms having business relationships with the Company, the amount of each loan shall not exceed the amount of business transactions between both parties.</u></p> <p>ii. <u>For companies or firms requiring short-term financing, the amount of each loan shall not exceed 10% of the Company’s net worth.</u></p> <p>iii. <u>For overseas companies in which the Company directly or indirectly holds 100% of the voting shares, when engaging in fund loans, the total amount shall not exceed 40% of the Company’s net worth, and the amount for any single counterparty shall not exceed 10% of the Company’s net worth.</u></p> <p>iv. <u>Where overseas companies in which the Company directly or indirectly holds 100% of the voting shares provide loans to the Company, the total amount shall not exceed 40% of the Company’s net worth, and the amount for any single counterparty shall not exceed 10% of the Company’s net worth.</u></p> <p>v. <u>The provisions of the</u></p>	<p>Revised in accordance with operational practices.</p>

Article	Before Amendment	After Amendment	Reason for Amendment
6. (2) (Continued)		<p>preceding two subparagraphs shall not be subject to the limitation under Subparagraph (1), Item 2 of this Paragraph.</p> <p><u>(3) The term “business transaction amount” as referred to above means the higher of the actual purchase or sales amount between both parties within the most recent year, and shall not exceed 10% of the Company’s net worth.</u></p> <p><u>(4) The net worth referred to above shall be based on the figures stated in the Company’s most recent financial statements audited or reviewed by a certified public accountant.</u></p>	Revised in accordance with operational practices.
6. (3)	[3]	3.	Revised in accordance with operational practices.
6. (4)	[4]	4.	
6. (5)	[5] When a borrower applies for a loan from the Company, it shall provide basic information, financial information, collateral information, repayment plans, and other relevant documents to facilitate the credit investigation process. After receiving the application, the Company shall have the Accounting and Finance Department review the borrower’s use of funds and recent financial and business conditions to assess the reasonableness and necessity of the loan, as well as the borrower’s repayment ability, and prepare <u>an evaluation report</u> . The Accounting and Finance Department shall conduct a detailed investigation and evaluation of the borrower.	5. When a borrower applies for a loan from the Company, it shall provide basic information, financial information, collateral information, repayment plans, and other relevant documents to facilitate the credit investigation process. After receiving the application, the Company shall have the Accounting and Finance Department review the borrower’s use of funds and its most recent financial and business conditions to assess the reasonableness and necessity of the loan, as well as the borrower’s repayment ability, and prepare a <u>“Loan to Others Application Form.”</u> The Accounting and Finance Department shall conduct a detailed investigation and evaluation of the borrower. The	Revised in accordance with operational practices.

Article	Before Amendment	After Amendment	Reason for Amendment
6. (5) (Continued)	<p>The evaluation shall include at least the following:</p> <p>(i) The necessity and reasonableness of loaning funds to others.</p> <p>(ii) Whether the loan amount is necessary based on the financial condition of the borrower.</p> <p>(iii) Whether the cumulative loan amount remains within the prescribed limits.</p> <p>(iv) The impact on the Company's operational risk, financial condition, and shareholders' equity.</p> <p>(v) Whether collateral should be obtained and the appraised value of such collateral.</p> <p>(vi) Credit investigation and risk assessment records of the borrower shall be attached.</p>	<p>evaluation shall include at least the following:</p> <p>(1) The necessity and reasonableness of loaning funds to others.</p> <p>(2) Whether the loan amount is necessary based on the financial condition of the borrower.</p> <p>(3) Whether the cumulative loan amount remains within the prescribed limits.</p> <p>(4) The impact on the Company's operational risk, financial condition, and shareholders' equity.</p> <p>(5) Whether collateral should be obtained and the appraised value of such collateral.</p> <p>(6) Credit investigation and risk assessment records of the borrower shall be attached.</p>	Revised in accordance with operational practices.
6. (6)	<p>(6) Where, after evaluation, a loan is not to be granted, the Accounting and Finance Department shall prepare a report stating the reasons for rejection and submit it for approval by the General Manager, and shall promptly notify the borrower. For cases where a loan is to be granted, the Accounting and Finance Department shall <u>prepare the relevant documentation and evaluation report</u>, formulate the loan terms, <u>and</u> submit them <u>to</u> the General Manager <u>for review and onward submission</u> to the Board of Directors for <u>approval</u>.</p>	<p>6.Procedures for Evaluation of Loans to Others</p> <p><u>(1) The Accounting and Finance Department shall prudently assess whether the proposed loan complies with these Procedures.</u> Where, after evaluation, a loan is not to be granted, the Accounting and Finance Department shall prepare a report stating the reasons for rejection and submit it for approval by the General Manager, and shall promptly notify the borrower.For cases where a loan is to be granted, the Accounting and Finance Department shall, <u>together with the evaluation results set forth in the preceding subparagraph</u>, formulate the loan terms, submit them <u>for approval by</u> the General Manager, <u>and then submit the</u></p>	Revised in accordance with operational practices.

Article	Before Amendment	After Amendment	Reason for Amendment
<p>6. (6) (Continued)</p>	<p>Loans of funds between the Company and its subsidiaries, or between subsidiaries, shall be submitted to the Board of Directors for resolution in accordance with the preceding <u>paragraph</u>. The Board may authorize the Chairman to disburse the loan in installments or on a revolving basis to the same borrower within a specified limit and within a period not exceeding one year.</p> <p>The “specified limit” referred to in the preceding <u>paragraph</u> shall, except as provided in <u>paragraph 2 of the first paragraph</u>, the authorized amount of funds that a <u>publicly listed company</u> or its subsidiaries may lend to a single enterprise shall not exceed 10% of the net value of <u>that</u> company’s most recent financial statements.</p>	<p><u>proposal</u> to the Board of Directors for <u>resolution prior to implementation</u>.</p> <p>(2) Loans of funds between the Company and its subsidiaries, or between subsidiaries, shall be submitted to the Board of Directors for resolution in accordance with the preceding <u>subparagraph</u>. The Board may authorize the Chairman to disburse the loan in installments or on a revolving basis to the same borrower within a specified limit and within a period not exceeding one year.</p> <p>(3) The “specified limit” referred to in the preceding <u>subparagraph</u> shall, except as provided in <u>Article 6, Paragraph 2, Subparagraph 2, Items 3 to 5</u>, the authorized amount of funds that <u>the Company</u> or its subsidiaries may lend to a single enterprise shall not exceed 10% of the net value of the Company’s most recent financial statements.</p>	<p>Revised in accordance with operational practices.</p>
<p>6. (7)</p>	<p>(7) After a loan case has been approved, the responsible personnel shall promptly notify the borrower in writing, specifying the Company’s lending conditions in detail, including the loan amount, term, interest rate, promissory note, collateral note, and guarantor(s), among others.</p> <p>For approved loan cases, the responsible personnel shall draft the</p>	<p>7. Procedures for Handling Approved Loans</p> <p>(1) After a loan case has been approved <u>by resolution of the Board of Directors</u>, the responsible personnel <u>of the Accounting and Finance Department</u> shall promptly notify the borrower in writing, specifying the Company’s lending conditions in detail, including the loan amount, term, interest rate, promissory note, collateral note, and guarantor(s), among others.</p> <p>(2) For approved loan cases, the responsible personnel <u>of the</u></p>	<p>Revised in accordance with operational practices.</p>

Article	Before Amendment	After Amendment	Reason for Amendment
6. (7) (Continued)	<p>loan agreement terms, which shall be reviewed and <u>approved by legal counsel</u>, and then <u>submitted to supervisory personnel for review before requesting</u> the borrower to complete the signing procedures within a specified time limit.</p> <p>The contents of the loan agreement shall be consistent with the approved loan terms. After the borrower and joint guarantor(s) have signed and sealed the agreement, the responsible personnel shall complete the necessary verification procedures.</p>	<p><u>Accounting and Finance Department</u> shall draft the loan agreement terms, which shall be reviewed <u>by the head of the Accounting and Finance Department</u>, and then <u>request</u> the borrower to complete the signing procedures within a specified time limit.</p> <p>(3) The contents of the loan agreement shall be consistent with the loan terms <u>approved by the Board of Directors</u>. After the borrower and joint guarantor(s) have signed and sealed the agreement, the responsible personnel shall complete the necessary verification procedures.</p>	Revised in accordance with operational practices.
6. (8)	<p>(8) When the Company handles loaning of funds, it shall obtain a promissory note of equivalent value <u>as security</u>. Where necessary, a pledge or mortgage over movable or immovable property shall also be established. <u>For the claim security mentioned in the preceding paragraph, if the debtor provides a person or company with sufficient financial capacity and creditworthiness as a guarantor in lieu of providing collateral, the Board of Directors may handle the matter with reference to the credit investigation report prepared by the Accounting and Finance Department. Where a company acts as guarantor, attention shall be paid to whether its Articles of Incorporation provide for the ability to act as a guarantor.</u></p>	<p>8. When the Company handles loaning of funds, it shall obtain a promissory note of equivalent value, <u>collateral, and/or other forms of security as required by the Company</u>. Where necessary, a pledge or mortgage over movable or immovable property shall also be established.</p>	

Article	Before Amendment	After Amendment	Reason for Amendment
6. (9)	<p>(9) After the loan has been disbursed, the Company shall regularly monitor the financial, business, and credit conditions of the borrower and any guarantor(s). Where collateral has been provided, attention shall also be paid to any changes in the value of such collateral. In the event of any material change, the <u>Chairman</u> shall be immediately notified, and appropriate actions shall be taken in accordance with instructions. One month prior to the loan maturity date, the borrower shall be notified to repay the principal and interest. Upon repayment, the interest payable shall be calculated, and after the principal and interest have been fully settled, the Accounting and Finance Department may cancel and return promissory notes, loan agreements, and other debt instruments to the borrower or proceed with the cancellation of mortgage registration.</p> <p><u>If the borrower fails to fulfill repayment obligations upon maturity, the responsible personnel shall, in addition to notifying the borrower, immediately report to the General Manager and engage legal counsel to initiate debt preservation procedures, and shall report the matter to the Board of Directors.</u></p>	<p>9. After the loan has been disbursed, the Company shall regularly monitor the financial, business, and credit conditions of the borrower and any guarantor(s). Where collateral has been provided, attention shall also be paid to any changes in the value of such collateral. In the event of any material change, the <u>General Manager</u> shall be immediately notified, and appropriate actions shall be taken in accordance with instructions. One month prior to the loan maturity date, the borrower shall be notified to repay the principal and interest. Upon repayment, the interest payable shall be calculated, and after the principal and interest have been fully settled, the Accounting and Finance Department may cancel and return promissory notes, loan agreements, and other debt instruments to the borrower or proceed with the cancellation of mortgage registration.</p>	Revised in accordance with operational practices.
6. (10)	(10)	10.	Revised in accordance with operational practices.
6. (11)	<p>(11) Where the Company's managerial officers or responsible personnel violate these <u>Guidelines</u>, they shall be subject to disciplinary action in accordance with <u>the</u></p>	<p>11. Internal Audit and Penalties (1) Where the Company's managerial officers or responsible personnel violate these <u>Procedures</u>, they shall be</p>	Revised in accordance with operational practices.

Article	Before Amendment	After Amendment	Reason for Amendment
6. (11) (Continued)	<p><u>performance evaluation</u> regulations. In cases of serious violations, <u>they shall be dismissed and investigated,</u> and the Company may seek compensation for any damages incurred in accordance with the law.</p> <p>The Company’s internal audit personnel shall audit the Procedures for Loaning of Funds to Others and the implementation thereof at least on a quarterly basis and prepare written records. If any material violation is discovered, they shall immediately notify all independent directors of the Audit Committee in writing and shall impose disciplinary actions on managerial officers and responsible personnel depending on the severity of the violation.</p> <p><u>Where a subsidiary of the Company intends to loan funds to others, the Company shall require such subsidiary to establish its own Procedures for Loaning of Funds to Others in accordance with applicable regulations and to handle such matters in compliance with the established procedures.</u></p>	<p>subject to disciplinary action in accordance with <u>relevant personnel</u> regulations. In cases of serious violations, the Company may seek compensation for any damages incurred in accordance with the law.</p> <p><u>(2)</u> The Company’s internal audit personnel shall audit the Procedures for Loaning of Funds to Others and the implementation thereof at least on a quarterly basis and prepare written records. If any material violation is discovered, they shall immediately notify all independent directors of the Audit Committee in writing and shall impose disciplinary actions on managerial officers and responsible personnel depending on the severity of the violation.</p>	Revised in accordance with operational practices.
6. (12)	[12]	12.	Revised in accordance with operational practices.
6. (13)	<p>[13]</p> <p>The Company shall, by the 10th day of each month, publicly announce and report the balance of loans to others for the Company and its subsidiaries for the previous month. Where the balance of loans to others reaches any of the following thresholds, the Company shall, within two days from the date of occurrence of the event, make a</p>	<p>13. Public Disclosure</p> <p><u>(1)</u> The Company shall, by the 10th day of each month, publicly announce and report the balance of loans to others for the Company and its subsidiaries for the previous month. Where the balance of loans to others reaches any of the following thresholds, the Company shall, within two days from the date of</p>	Revised in accordance with regulatory requirements.

Article	Before Amendment	After Amendment	Reason for Amendment
6. (13) (Continued)	<p>public announcement and filing:</p> <p>i. Where the balance of loans to others by the Company and its subsidiaries reaches 20% or more of the Company's net worth as shown in the most recent financial statements.</p> <p>ii. Where the balance of loans to others by the Company and its subsidiaries to a single enterprise reaches 10% or more of the Company's net worth as shown in the most recent financial statements.</p> <p>iii. Where the amount of new loans to others by the Company or its subsidiaries reaches NT\$10 million or more and also reaches 2% or more of the Company's net worth as shown in the most recent financial statements.</p> <p>The "date of occurrence" as referred to in <u>these Procedures</u> shall mean the earliest of the contract signing date, payment date, date of Board resolution, or any other date sufficient to determine the counterparty and <u>transaction amount</u>.</p>	<p>occurrence of the event, make a public announcement and filing:</p> <p>i. Where the balance of loans to others by the Company and its subsidiaries reaches 20% or more of the Company's net worth as shown in the most recent financial statements.</p> <p>ii. Where the balance of loans to others by the Company and its subsidiaries to a single enterprise reaches 10% or more of the Company's net worth as shown in the most recent financial statements.</p> <p>iii. Where the amount of new loans to others by the Company or its subsidiaries reaches NT\$10 million or more and also reaches 2% or more of the Company's net worth as shown in the most recent financial statements.</p> <p><u>(2) The "date of occurrence" as referred to in the preceding paragraph shall mean the earliest of the contract signing date, payment date, date of Board resolution, or any other date sufficient to determine the counterparty to the loan and the amount thereof.</u></p> <p><u>(3) Where a subsidiary of the Company is not a domestic public company, and any matter under Subparagraph 3 of Paragraph 1 requires public announcement and filing, such announcement and filing shall be made by the Company.</u></p>	Revised in accordance with regulatory requirements.
6. (14)	<u>(14) Where a subsidiary of the Company is not a domestic public company, and any matter under Subparagraph 3 of the preceding</u>		Revised in accordance with operational practices;

Article	Before Amendment	After Amendment	Reason for Amendment
6. (14) (Continued)	<u>paragraph, Paragraph 1, requires public announcement and filing, such announcement and filing shall be made by the Company.</u>		relocated to Article 6, Paragraph 13, Subparagraph 3.
6. (15)	[15]	14.	Revised in accordance with operational practices.
6. (16)	[16] <u>Regardless of the counterparty of the accounts receivable, all accounts receivable that exceed the normal credit period by a certain period (three months) shall be evaluated to determine whether they are of a “loan to others” nature.</u>	<u>Article 6-1 Subsequent Control Measures and Procedures for Handling Overdue Accounts Receivable</u> <u>1. The responsible unit of the Company shall periodically track and evaluate receivables that qualify as having a “loan to others” nature.</u> <u>2. Where any of the following conditions is met, the matter shall be submitted to the Board of Directors for determination as to whether it constitutes a “loan to others” nature:</u> <u>(1)Accounts receivable (including those from related and non-related parties) that remain uncollected for more than three months beyond the normal credit period and exceed NT\$6 million (inclusive).</u> <u>(2)Amounts other than accounts receivable, where the amount exceeds NT\$3 million (inclusive) or is of a special nature, and any of the following conditions apply, and remain uncollected for more than three months.</u> <u>2. Where the conditions set forth in the preceding paragraph are met, the responsible unit shall request the Accounting and Finance Department to submit the matter</u>	Revised in accordance with operational practices.

Article	Before Amendment	After Amendment	Reason for Amendment
<p>6. (16) (Continued)</p>		<p><u>to the most recent Board meeting for resolution. If the Board determines that the matter constitutes a “loan to others” nature, public announcement shall be made in accordance with Article 6, Paragraph 13.</u></p> <p><u>3. Where receivables determined to be of a “loan to others” nature become overdue, they shall be handled in accordance with the following procedures:</u></p> <p><u>(1) The responsible unit, together with the Accounting and Finance Department, shall assess the debtor’s business and financial condition. If the debtor still has going-concern value, the case shall be submitted to the General Manager for approval to revise the repayment terms of the original claim.</u></p> <p><u>(2) Otherwise, the responsible unit, together with the Accounting and Finance Department, shall notify the Legal Department and take the following actions:</u></p> <p><u>i. Exercise rights under negotiable instruments and pursue claims against primary and secondary obligors.</u></p> <p><u>ii. Apply for disposition of collateral provided by the debtor.</u></p> <p><u>iii. Investigate the assets of primary and secondary obligors available for enforcement, and, where necessary, apply for payment orders, rulings on promissory notes, or other</u></p>	<p>Revised in accordance with operational practices.</p>

Article	Before Amendment	After Amendment	Reason for Amendment
6. (16) (Continued)		<p><u>preservation measures in accordance with the law.</u></p> <p><u>iv. Apply for compulsory execution against the assets of primary and secondary obligors.</u></p> <p><u>v. Take any other necessary preservation measures.</u></p> <p><u>(3) Where it is determined that the primary and secondary obligors are indeed unable to repay the debt in full, the responsible unit, together with the Accounting and Finance Department, shall assess the situation and submit the claim of “loan to others” nature to the Legal Department for handling opinions, and then submit it through the Accounting and Finance Department to the Board of Directors for resolution. Other accounts receivable shall be handled upon approval by the General Manager.</u></p> <p><u>(4) For overseas receivables classified as “loan to others” in nature, where repayment cannot be made as scheduled due to changes in local foreign exchange regulations, the case may be submitted to the Board of Directors for approval to revise the original repayment plan.</u></p>	Revised in accordance with operational practices.
7.	7. Matters not provided for in these Guidelines shall be handled in accordance with applicable laws and regulations and the Company’s relevant internal rules.	<u>Article 7.</u> Matters not provided for in these Procedures shall be handled in accordance with applicable laws and regulations and the Company’s relevant internal rules.	Revised in accordance with operational practices.
8.	8. These <u>Guidelines</u> shall be approved by more than one-half of all	<u>Article 8. Other Matters</u> <u>1.</u> These <u>Procedures</u> shall first be approved by more than one-half	

Article	Before Amendment	After Amendment	Reason for Amendment
8. (Continued)	<p>members of the Audit Committee, submitted to the Board of Directors for resolution, and then submitted to the shareholders' meeting for approval. If any director expresses dissent and such dissent is recorded or stated in writing, the Company shall submit such dissenting opinions to all independent directors of the Audit Committee and report them to the shareholders' meeting for discussion. The same shall apply to any amendments.</p> <p>If these <u>Guidelines</u> are not approved by more than one-half of all members of the Audit Committee, they may be implemented upon approval by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board meeting.</p>	<p>of all members of the Audit Committee, submitted to the Board of Directors for resolution, and then submitted to the shareholders' meeting for approval. If any director expresses dissent and such dissent is recorded or stated in writing, the Company shall submit such dissenting opinions to all independent directors of the Audit Committee and report them to the shareholders' meeting for discussion. The same shall apply to any amendments.</p> <p>2. If these <u>Procedures</u> are not approved by more than one-half of all members of the Audit Committee, they may be implemented upon approval by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board meeting.</p> <p>3. <u>The "all members of the Audit Committee" referred to in the preceding two subparagraphs and the "all directors" referred to in the preceding paragraph shall be calculated based on the number of members or directors actually in office.</u></p> <p>4. <u>Subsidiaries to which these Procedures apply pursuant to Article 2 shall formulate their own Procedures for Loaning of Funds to Others, which shall be approved by the board of directors of such subsidiaries and submitted to the shareholders' meeting for approval before implementation. The same shall apply to any amendments.</u></p>	Revised in accordance with operational practices.

Article	Before Amendment	After Amendment	Reason for Amendment
9.	<p>9. These Guidelines shall be implemented upon approval by the shareholders' meeting, and the same shall apply to any amendments. These Guidelines were adopted on August 15, 2018 upon approval by the Board of Directors and were implemented after approval by the shareholders' meeting on June 19, 2019.</p> <p>The first amendment was approved by the Board of Directors on May 15, 2019 and was implemented after approval by the shareholders' meeting on June 19, 2019.</p> <p>The second amendment was approved by the Board of Directors on October 3, 2019 and was implemented after approval by the shareholders' meeting on November 12, 2019.</p> <p>The third amendment was approved by the Board of Directors on March 26, 2021 and was implemented after approval by the shareholders' meeting on July 8, 2021.</p>	<p><u>Article 9</u> These Procedures shall be implemented upon approval by the shareholders' meeting, and the same shall apply to any amendments. These Procedures were adopted on August 15, 2018 upon approval by the Board of Directors and were implemented after approval by the shareholders' meeting on June 19, 2019.</p> <p>The first amendment was approved by the Board of Directors on May 15, 2019 and was implemented after approval by the shareholders' meeting on June 19, 2019.</p> <p>The second amendment was approved by the Board of Directors on October 3, 2019 and was implemented after approval by the shareholders' meeting on November 12, 2019.</p> <p>The third amendment was approved by the Board of Directors on March 26, 2021 and was implemented after approval by the shareholders' meeting on July 8, 2021.</p> <p><u>The fourth amendment was approved by the Board of Directors on April 13, 2026 and was implemented after approval by the shareholders' meeting on May 26, 2026.</u></p>	Added revisions Records

Wendell Industrial Co., Ltd.
Comparison Table of “Procedures for Endorsement and Guarantees”

Article	Before Amendment	After Amendment	Reason for Amendment
Article 1	<p>Purpose</p> <p>To safeguard shareholders’ rights and reduce the risks associated with the Company’s provision of endorsements and guarantees, these <u>Regulations</u> are hereby established.</p>	<p>Purpose</p> <p>To safeguard shareholders’ rights and reduce the risks associated with the Company’s provision of endorsements and guarantees, these <u>Procedures</u> are hereby established.</p>	Revised in accordance with operational practices.
Article 2	<p>Scope</p> <p>These <u>Regulations</u> apply to the Company and its branches. “Endorsements and guarantees” refer to the following matters:</p> <ol style="list-style-type: none"> 1. Financing endorsements and guarantees, including: <ol style="list-style-type: none"> (1) Discounting of bills. (2) Endorsements or guarantees made for financing purposes for other companies. (3) Issuance of separate negotiable instruments by the Company to non-financial institutions as security for financing purposes. 2. Customs duty endorsements and guarantees, referring to endorsements or guarantees related to customs matters for the Company or other companies. 3. Other endorsements and guarantees that cannot be categorized under the preceding two <u>points</u>. 4. Where the Company provides movable or immovable property as collateral for loans of other companies through the creation of pledges or mortgages, such shall also be handled in accordance with these <u>Regulations</u>. 	<p>Scope</p> <p>These <u>Procedures</u> apply to the Company and its branches. “Endorsements and guarantees” refer to the following matters:</p> <ol style="list-style-type: none"> 1. Financing endorsements and guarantees, including: <ol style="list-style-type: none"> (1) Discounting of bills. (2) Endorsements or guarantees made for financing purposes for other companies. (3) Issuance of separate negotiable instruments by the Company to non-financial institutions as security for financing purposes. 2. Customs duty endorsements and guarantees, referring to endorsements or guarantees related to customs matters for the Company or other companies. 3. Other endorsements and guarantees that cannot be categorized under the preceding two <u>paragraphs</u>. 4. Where the Company provides movable or immovable property as collateral for loans of other companies through the creation of pledges or mortgages, such shall also be handled in accordance with these <u>Procedures</u>. 	Revised in accordance with operational practices.

Article	Before Amendment	After Amendment	Reason for Amendment
Article 3	<p>Responsibilities</p> <p>The <u>Finance</u> Department shall be the responsible unit for these <u>Regulations</u> and shall be responsible for formulation and amendments.</p>	<p>Responsibilities</p> <p>The <u>Accounting and Finance</u> Department shall be the responsible unit for these <u>Procedures</u> and shall be responsible for formulation and amendments.</p>	Revised in accordance with operational practices.
Article 6, Paragraph 1	<p>The entities for which the Company may provide endorsements and guarantees are limited to:</p> <p>(1) Companies in which the Company directly or indirectly holds more than 50% of the voting shares.</p> <p>(2) Companies in which the Company directly or indirectly holds 90% or more of the voting shares may provide endorsements and guarantees to each other, provided that the amount shall not exceed 10% of the Company's net worth. However, where such companies are 100% owned directly or indirectly by the Company, <u>endorsements and guarantees may still be provided, and the amount shall not exceed 10% of the Company's net worth.</u></p>	<p>The entities for which the Company may provide endorsements and guarantees are limited to:</p> <p><u>(1) Companies having business relationships with the Company.</u></p> <p>(2) Companies in which the Company directly or indirectly holds more than 50% of the voting shares.</p> <p>(3) Companies in which the Company directly or indirectly holds 90% or more of the voting shares may provide endorsements and guarantees to each other, provided that the amount shall not exceed 10% of the Company's net worth. However, where such companies are 100% owned directly or indirectly by the Company, <u>this limitation shall not apply.</u></p>	Revised in accordance with operational practices.
Article 6, Paragraph 2	<p>The total amount of endorsements and guarantees provided by the Company shall <u>not exceed the Company's paid-in capital, and the amount for any single enterprise shall not exceed 50% of the Company's paid-in capital.</u></p> <p>The amount of endorsements and guarantees <u>includes the total amount provided by the Company and the amount provided to a single enterprise, as well as the total</u></p>	<p><u>2.Limits on endorsements and guarantees</u></p> <p>(1) The total amount of endorsements and guarantees provided by the Company shall not exceed 50% of the Company's <u>net worth.</u></p> <p>(2) The amount of endorsements and guarantees <u>provided by the Company to any single enterprise shall not exceed 20% of the Company's net worth.</u></p>	Revised in accordance with operational practices.

Article	Before Amendment	After Amendment	Reason for Amendment
<p>Article 6, Paragraph 2 (Continued)</p>	<p><u>amount that the Company and its subsidiaries may provide and the amount to a single enterprise.</u></p> <p>Where the total amount of endorsements and guarantees provided by the Company and its subsidiaries reaches 50% or more of the <u>net worth of a public company</u>, the necessity and reasonableness thereof shall be explained at the shareholders' meeting.</p>	<p>(3) <u>The total amount of endorsements and guarantees provided by the Company and its subsidiaries shall not exceed 50% of the Company's net worth.</u></p> <p>(4) <u>The amount of endorsements and guarantees provided by the Company and its subsidiaries to any single enterprise shall not exceed 20% of the Company's net worth.</u></p> <p>(5) <u>Where endorsements and guarantees are provided due to business relationships, the total amount shall not exceed 10% of the Company's net worth, and the amount for any single enterprise shall not exceed the total amount of business transactions between the parties in the preceding 12 months. (The "business transaction amount" refers to the higher of purchase or sales amounts between the parties.)</u></p> <p>(6) <u>The aforementioned net worth shall be based on the most recent consolidated financial statements audited or reviewed by a certified public accountant.</u></p> <p>(7) <u>Where the total amount of endorsements and guarantees provided by the Company and its subsidiaries reaches 50% or more of the Company's net worth, the necessity and reasonableness thereof shall be explained at the shareholders' meeting.</u></p>	<p>Revised in accordance with operational practices.</p>
<p>Article 6, Paragraph 3</p>	<p>Before the Company provides any endorsement or guarantee, the endorsed/guaranteed company shall submit an <u>application</u> to the</p>	<p>Before the Company provides any endorsement or guarantee, the endorsed/guaranteed company shall submit an <u>"Application Form for</u></p>	<p>Revised in accordance with operational practices.</p>

Article	Before Amendment	After Amendment	Reason for Amendment
<p>Article 6, Paragraph 3 (Continued)</p>	<p>Company. The Finance Department shall evaluate the associated risks and submit an evaluation report for approval by the General Manager and the Chairman. Where necessary, collateral shall be obtained. The evaluation shall include:</p> <ol style="list-style-type: none"> (1) Necessity and reasonableness of the endorsement/guarantee. (2) Whether the amount is necessary based on the financial condition of the endorsed/guaranteed company. (3) Whether the accumulated amount remains within the prescribed limits. (4) Impact on the Company's operational risk, financial condition, and shareholders' equity. (5) Whether collateral should be obtained and the assessed value of such collateral. (6) Credit investigation and risk assessment <u>records</u>. <p>If the endorsed/guaranteed party is a subsidiary <u>with net worth less than one-half of its paid-in capital, the Company shall carefully assess the necessity, reasonableness, and associated risks, establish subsequent control measures, and obtain Board of Directors approval before proceeding.</u></p>	<p><u>Endorsement and Guarantee</u>" to the Company. The <u>Accounting and Finance Department</u> shall evaluate the associated risks and submit an evaluation report for approval by the General Manager and the Chairman. Where necessary, collateral shall be obtained. The evaluation shall include:</p> <ol style="list-style-type: none"> (1) Necessity and reasonableness of the endorsement/guarantee. (2) Whether the amount is necessary based on the financial condition of the endorsed/guaranteed company. (3) Whether the accumulated amount remains within the prescribed limits. (4) Impact on the Company's operational risk, financial condition, and shareholders' equity. (5) Whether collateral should be obtained and the assessed value of such collateral. (6) Credit investigation and risk assessment <u>of the endorsed/guaranteed party</u>. <p>If the endorsed/guaranteed party is a subsidiary <u>whose net worth is less than one-half of its paid-in capital, such subsidiary shall, at the time of application, submit a plan and timeline for improving its net worth. If, upon expiration of such timeline, the net worth remains below one-half of its paid-in capital, the endorsement and guarantee relationship shall be immediately terminated, and reported to the Audit Committee and the Board of Directors.</u></p>	<p>Revised in accordance with operational practices.</p>
<p>Article 6, Paragraph 4</p>	<p>The Company shall obtain approval from the Board of Directors before</p>	<p>The Company shall obtain approval from the Board of Directors before</p>	<p>Revised in accordance with</p>

Article	Before Amendment	After Amendment	Reason for Amendment
Article 6, Paragraph 4 (Continued)	providing any endorsement or guarantee. Where a subsidiary in which the Company directly or indirectly holds more than 90% of the voting shares provides an endorsement or guarantee, it must first be submitted to the Company's Board of Directors for approval. Where independent directors have been appointed, their opinions shall be fully considered and recorded in the minutes. The Board may authorize the Chairman to make decisions during adjournment periods, subject to subsequent ratification by the Board. Where necessary due to business needs and the limits under <u>Point 2</u> are exceeded, approval by the Board and joint guarantee by a majority of directors shall be required, and amendments shall be submitted to the shareholders' meeting for ratification. If not approved, the excess portion shall be eliminated within a specified period.	providing any endorsement or guarantee. Where a subsidiary in which the Company directly or indirectly holds more than 90% of the voting shares provides an endorsement or guarantee, it must first be submitted to the Company's Board of Directors for approval. Where independent directors have been appointed, their opinions shall be fully considered and recorded in the minutes. The Board may authorize the Chairman to make decisions during adjournment periods, subject to subsequent ratification by the Board. Where necessary due to business needs and the limits under <u>Paragraph 2</u> are exceeded, approval by the Board and joint guarantee by a majority of directors shall be required, and amendments shall be submitted to the shareholders' meeting for ratification. If not approved, the excess portion shall be eliminated within a specified period.	operational practices.
Article 6, Paragraph 5	The Finance Department shall establish a memorandum book and record in detail the endorsed/guaranteed parties, amounts, dates of Board approval or Chairman's decision, dates of endorsement/guarantee, matters requiring careful evaluation, and cancellation dates.	The <u>Accounting and Finance</u> Department shall establish a memorandum book and record in detail the endorsed/guaranteed parties, amounts, dates of Board approval or Chairman's decision, dates of endorsement/guarantee, matters requiring careful evaluation <u>in accordance with Paragraph 3</u> , and cancellation dates.	Revised in accordance with operational practices.
Article 6, Paragraph 6	The Finance Department shall assess or recognize contingent losses arising from endorsements and guarantees and shall appropriately disclose such information in the financial statements, and provide relevant information to the certified public accountant for issuance of an audit report.	The <u>Accounting and Finance</u> Department shall assess or recognize contingent losses arising from endorsements and guarantees and shall appropriately disclose such information in the financial statements, and provide relevant information to the certified public accountant for issuance of an audit report.	Revised in accordance with operational practices.

Article	Before Amendment	After Amendment	Reason for Amendment
Article 6, Paragraph 9	Subsidiaries shall follow the Company's regulations for external endorsements and guarantees and handle public disclosure in accordance with <u>Point 12. The ratio of endorsement and guarantee balance to net worth shall be calculated based on the subsidiary's balance relative to the Company's net worth.</u>	Subsidiaries shall follow the Company's regulations for external endorsements and guarantees and handle public disclosure in accordance with <u>Paragraph 12.</u>	Revised in accordance with operational practices.
Article 6, Paragraph 10	Managers and responsible personnel who violate the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" or these <u>Guidelines</u> shall be subject to disciplinary actions depending on the impact.	Managers and responsible personnel who violate the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" or these <u>Procedures</u> shall be subject to disciplinary actions depending on the impact.	Revised in accordance with operational practices.
Article 6, Paragraph 12	The Company shall, by the 10th day of each month, publicly announce and report the balance of endorsements and guarantees for the previous month for both the Company and its subsidiaries. Where the amount of endorsements and guarantees reaches any of the following thresholds, the Company shall, within two days from the date of occurrence of the event, make a public announcement and filing in accordance with applicable regulations: <ul style="list-style-type: none"> i. Where the balance of endorsements and guarantees of the Company and its subsidiaries reaches 50% or more of the Company's net worth as shown in the most recent financial statements. ii. Where the balance of endorsements and guarantees provided by the Company and its subsidiaries to a single enterprise reaches 20% or more of the Company's net worth as shown in the most recent 	The Company shall, by the 10th day of each month, publicly announce and report the balance of endorsements and guarantees for the previous month for both the Company and its subsidiaries. Where the amount of endorsements and guarantees reaches any of the following thresholds, the Company shall, within two days from the date of occurrence of the event, make a public announcement and filing in accordance with applicable regulations: <ul style="list-style-type: none"> i. Where the balance of endorsements and guarantees of the Company and its subsidiaries reaches 50% or more of the Company's net worth as shown in the most recent financial statements. ii. Where the balance of endorsements and guarantees provided by the Company and its subsidiaries to a single enterprise reaches 20% or more of the Company's net worth as shown in the most recent 	Revised in accordance with regulatory requirements.

Article	Before Amendment	After Amendment	Reason for Amendment
<p>Article 6, Paragraph 12 (Continued)</p>	<p>financial statements.</p> <p>iii. Where the balance of endorsements and guarantees provided by the Company and its subsidiaries to a single enterprise reaches NT\$10 million or more, and the aggregate amount of such endorsements and guarantees, <u>long-term</u> investments, and loans to others reaches 30% or more of the Company's net worth as shown in the most recent financial statements.</p> <p>iv. Where the amount of new endorsements and guarantees provided by the Company or its subsidiaries reaches NT\$30 million or more and also reaches 5% or more of the Company's net worth as shown in the most recent financial statements.</p> <p>For any subsidiary of the Company that is not a domestic public company, where any matter under Subparagraph 4 of the preceding paragraph requires public announcement and filing, such announcement and filing shall be made by the Company.</p> <p>The "date of occurrence" as referred to herein shall mean the earliest of the contract signing date, payment date, date of Board resolution, or any other date sufficient to determine the counterparty <u>and transaction amount</u>.</p>	<p>financial statements.</p> <p>iii. Where the balance of endorsements and guarantees provided by the Company and its subsidiaries to a single enterprise reaches NT\$10 million or more, and the aggregate amount of such endorsements and guarantees, <u>the carrying amount of equity method</u> investments, and loans to others reaches 30% or more of the Company's net worth as shown in the most recent financial statements.</p> <p>iv. Where the amount of new endorsements and guarantees provided by the Company or its subsidiaries reaches NT\$30 million or more and also reaches 5% or more of the Company's net worth as shown in the most recent financial statements.</p> <p>For any subsidiary of the Company that is not a domestic public company, where any matter under Subparagraph 4 of the preceding paragraph requires public announcement and filing, such announcement and filing shall be made by the Company.</p> <p>The "date of occurrence" as referred to herein shall mean the earliest of the contract signing date, payment date, date of Board resolution, or any other date sufficient to determine the counterparty <u>to the endorsement/guarantee and the amount thereof</u>.</p>	<p>Revised in accordance with regulatory requirements.</p>
<p>Article 6, Paragraph 13</p>	<p>For subsidiaries with no-par value shares or par value not NT\$10, paid-in capital shall be calculated <u>as share capital plus share premium</u>.</p>	<p>For subsidiaries with no-par value shares or par value not NT\$10, paid-in capital shall be calculated <u>in accordance with Article 6, Paragraph 3</u>.</p>	<p>Revised in accordance with operational practices.</p>

Article	Before Amendment	After Amendment	Reason for Amendment
Article 7	These <u>Guidelines</u> not covered herein shall be handled in accordance with applicable laws and regulations and the Company's relevant internal rules.	These <u>Procedures</u> not covered herein shall be handled in accordance with applicable laws and regulations and the Company's relevant internal rules.	Revised in accordance with operational practices.
Article 8	<p>These <u>Guidelines</u> shall be approved by more than one-half of all members of the Audit Committee, submitted to the Board of Directors for resolution, and then submitted to the shareholders' meeting for approval. The same shall apply to any amendments.</p> <p>If any director expresses dissent and such dissent is recorded or stated in writing, the Company shall submit such dissenting opinions to all independent directors of the Audit Committee and report them to the shareholders' meeting for discussion.</p> <p>If these <u>Guidelines</u> are not approved by more than one-half of all members of the Audit Committee, they may be approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board meeting.</p>	<p>These <u>Procedures</u> shall be approved by more than one-half of all members of the Audit Committee, submitted to the Board of Directors for resolution, and then submitted to the shareholders' meeting for approval. The same shall apply to any amendments.</p> <p>If any director expresses dissent and such dissent is recorded or stated in writing, the Company shall submit such dissenting opinions to all independent directors of the Audit Committee and report them to the shareholders' meeting for discussion.</p> <p>If these <u>Procedures</u> are not approved by more than one-half of all members of the Audit Committee, they may be approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board meeting.</p>	Revised in accordance with operational practices.
Article 9		<p><u>These Procedures shall be implemented upon approval by the shareholders' meeting, and the same shall apply to any amendments.</u></p> <p><u>These Procedures were originally adopted on August 15, 2018 upon approval by the Board of Directors, and implemented after approval by the shareholders' meeting on June 19, 2019.</u></p> <p><u>The first amendment was approved by the Board of Directors on May 15, 2019 and implemented after approval by the shareholders' meeting on June 19, 2019.</u></p>	Addition of amendment record.

Article	Before Amendment	After Amendment	Reason for Amendment
Article 9 (Continued)		<u>The second amendment was approved by the Board of Directors on October 3, 2019 and implemented after approval by the shareholders' meeting on November 12, 2019.</u> <u>The third amendment was approved by the Board of Directors on April 13, 2026 and implemented after approval by the shareholders' meeting on May 26, 2026.</u>	Addition of amendment record.

IV. Appendices

Appendix 1

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 Company shall have five to nine directors, each serving a term of three years. Directors shall be elected by the shareholders' meeting from among persons with legal capacity and are eligible for re-election. The election of directors shall adopt the candidate nomination system in accordance with Article 192-1 of the Company Act, and shareholders shall elect directors from the list of nominated candidates. The Company may, among the above number of directors, elect independent directors; however, the number of independent directors shall not be fewer than three and shall not be less than one-fifth of the total number of directors. The election of independent directors shall also adopt the candidate nomination system, and shareholders shall elect independent directors from the list of independent director candidates. The professional qualifications, shareholding requirements, restrictions on concurrent positions, nomination and election procedures, and other matters to be complied with regarding independent directors shall be governed by the relevant regulations of the competent securities 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 article14-4 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 Company has earnings in the current year (i.e., profit before tax and before deduction of employee and director compensation), and there remains a balance after offsetting accumulated losses, the Board of Directors shall allocate no less than 1.5% of the annual profits as employee compensation (of which 20% shall be allocated to junior employees), and no more than 3% as director compensation. The aforementioned employee compensation may be distributed in the form of shares or cash, and the recipients may include employees of affiliated or subsidiary companies who meet certain criteria as determined by the Board of Directors. Director compensation shall be distributed in cash only. The above two items shall be resolved by a special resolution of the Board of Directors and reported to the shareholders' meeting.

Article 20-1. If the Company has earnings at the end of the fiscal year, it shall first pay taxes and offset losses, then allocate 10% of the earnings as legal reserve. However, this requirement shall not apply once the accumulated legal reserve equals the Company's paid-in capital. After making any special reserve appropriations or reversals in accordance with laws and regulations or as required by the competent authority, any remaining earnings shall be combined with undistributed earnings from previous years. The Board of Directors shall draft a proposal for the distribution of dividends and be authorized to, with the attendance of at least two-thirds of the directors and approval by a majority of those present, distribute all or part of the dividends in cash and report to the shareholders' meeting; if the dividends are to be distributed in the form of new shares, a resolution of the shareholders' meeting shall be required. The Company's dividend policy takes into account current and future development plans, investment environment, capital requirements, domestic and international competitive conditions, and shareholders' interests. At least 10% of the distributable earnings mentioned in the preceding paragraph shall be allocated for dividends to shareholders, which may be distributed in the form of cash or stock. Of the total dividends distributed, the cash dividend shall not be less than 10%.

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.

Thirty-first amendment was on May 28, 2025.

Wendell Industrial Co., Ltd.

Chairman: KAO, CHIH-HUNG

Wendell Industrial Co., Ltd.

- Article 1. These Procedures are established to ensure that the Company has proper guidelines to follow in the acquisition or disposal of assets.
- Article 2. The term “assets” as used in these Procedures includes the following:
1. Securities: including stocks, government bonds, corporate bonds, financial bonds, securities representing funds, domestic beneficiary certificates, overseas mutual funds, depositary receipts, call (put) warrants, beneficial securities, and asset-backed securities.
 2. Real property (including land, buildings and structures, investment property, and inventories of construction companies) and equipment.
 3. Membership certificates.
 4. Intangible assets such as patent rights, copyrights, trademark rights, franchise rights, and similar rights.
 5. Right-of-use assets.
 6. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
 7. Derivative products.
 8. Assets acquired or disposed of through mergers, demergers, acquisitions, or transfer of shares in accordance with laws.
 9. Other significant assets.
- Article 3. The terms used in these Procedures are defined as follows:
1. Derivative products: Refers to forward contracts, options contracts, futures contracts, leverage margin contracts, swap contracts, combinations of the above contracts, or structured products embedded with derivatives, whose value is derived from specific interest rates, financial instrument prices, commodity prices, exchange rates, price or rate indices, credit ratings or credit indices, or other variables. The term “forward contracts” does not include insurance contracts, performance contracts, after-sales service contracts, long-term lease contracts, or long-term purchase (sales) contracts.
 2. Assets acquired or disposed of through mergers, demergers, acquisitions, or transfer of shares in accordance with laws: Refers to assets acquired or disposed of through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act, or other applicable laws, or through the issuance of new shares to acquire shares of another company in accordance

with Article 156-3 of the Company Act (hereinafter referred to as “share transfer”).

3. Related parties and subsidiaries: Shall be determined in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
4. Professional appraiser: Refers to a real estate appraiser or any other person legally qualified to engage in real estate or equipment appraisal.
5. Date of occurrence: Refers to the earliest of the contract signing date, payment date, commissioned transaction date, transfer date, date of Board resolution, or any other date sufficient to determine the counterparty and transaction amount. However, for investments requiring approval from competent authorities, the earlier of the above dates or the date of approval by the competent authority shall apply.
6. Investment in Mainland China: Refers to investments or technical cooperation conducted in Mainland China in accordance with the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area issued by the Investment Commission of the Ministry of Economic Affairs.
7. “Within one year”: Refers to the one-year period retrospectively calculated from the date of the current acquisition or disposal of assets; amounts already publicly announced are excluded.
8. “Most recent financial statements”: Refers to the Company’s financial statements publicly disclosed in accordance with the law and audited or reviewed by a certified public accountant.

Article 4. The appraisal reports obtained by the Company, or the opinions issued by certified public accountants, attorneys, or securities underwriters, shall comply with the following requirements with respect to the professional appraisers and their personnel, certified public accountants, attorneys, or securities underwriters:

1. They must not have been sentenced to imprisonment for one year or longer for violations of the Securities and Exchange Act, Company Act, Banking Act, Insurance Act, Financial Holding Company Act, Business Entity Accounting Act, or for offenses involving fraud, breach of trust, embezzlement, forgery of documents, or other business-related crimes. However, this restriction shall not apply if three years have passed since completion of the sentence, expiration of probation, or pardon.
2. They must not be a related party to the transaction parties or have any substantive related-party relationship.

3. Where the Company is required to obtain appraisal reports from two or more professional appraisers, such appraisers and their personnel must not be related parties to each other or have any substantive related-party relationship.

When issuing appraisal reports or opinions, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of their respective professional associations and the following requirements:

1. Prior to accepting a case, they shall prudently assess their professional competence, practical experience, and independence.
2. During the execution of the case, they shall properly plan and perform appropriate procedures to form a conclusion and issue the report or opinion accordingly; and they shall faithfully record the procedures performed, data collected, and conclusions in the working papers.
3. The appropriateness and reasonableness of the data sources, parameters, and information used shall be assessed item by item as the basis for issuing the appraisal report or opinion.
4. The statements in the report shall include that the relevant personnel possess professional competence and independence, that the information used has been evaluated as appropriate and reasonable, and that applicable laws and regulations have been complied with.

Article 5. Evaluation Procedures

The method for determining prices and the basis for reference shall be handled in accordance with the following circumstances:

1. For the acquisition or disposal of equity securities or convertible corporate bonds traded on a centralized securities exchange market or at a securities firm's business premises, the price shall be determined based on the prevailing market price of such equity securities or bonds.
2. For the acquisition or disposal of equity securities not traded on a centralized securities exchange market or at a securities firm's business premises, the price shall be determined by taking into consideration the net worth per share, profitability, future development potential, and by reference to the transaction price at the time or opinions issued by securities analysts regarding the reasonableness of the transaction amount.
3. For the acquisition or disposal of bonds not traded on a centralized securities exchange market or at a securities firm's business premises, the price shall be determined with reference to prevailing market interest rates, the coupon rate of the bond, and the creditworthiness of the issuer.

4. For the acquisition or disposal of real property, the price shall be determined with reference to the publicly announced current value, appraised value, actual transaction prices of nearby real properties, or appraisal reports issued by professional appraisal institutions.
5. For the acquisition or disposal of other fixed assets, one of the methods of price comparison, negotiation, or tendering shall be adopted.

Article 6. Operating Procedures

When the Company acquires or disposes of assets, the responsible unit shall evaluate the reasons for the proposed acquisition or disposal, the subject matter, the transaction counterparty, the transfer price, payment terms, reference prices, and other relevant matters, and shall handle the transaction in accordance with the relevant provisions of the Company's internal control system. Where necessary, professional appraisal institutions may be engaged to conduct appraisals or securities analysts may be requested to provide opinions.

Article 7. Procedures for Public Announcement and Filing

Where the Company acquires or disposes of assets under any of the following circumstances, it shall, in accordance with the nature of the transaction and in the prescribed format, publicly announce and file the relevant information on the website designated by the competent authority within two days from the date of occurrence:

1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof with a related party, where the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT\$300 million or more; provided, however, that this shall not apply to trading of domestic government bonds, bonds under repurchase or resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
2. Conducting mergers, demergers, acquisitions, or transfer of shares.
3. Engaging in derivatives trading where the losses reach the maximum limit for total or individual contract losses as prescribed in the relevant handling procedures.
4. Acquisition or disposal of equipment for business use or right-of-use assets thereof, where the transaction counterparty is not a related party and the transaction amount meets any of the following thresholds:
 - (1) For a public company with paid-in capital of less than NT\$10 billion, a transaction amount of NT\$500 million or more.

- (2) For a public company with paid-in capital of NT\$10 billion or more, a transaction amount of NT\$1 billion or more.
5. Acquisition of real property through self-constructed buildings on owned land, construction on leased land, joint construction with allocation of units, joint construction with allocation of profits, or joint construction with sale, where the transaction counterparty is not a related party and the Company's expected investment amount reaches NT\$500 million or more.
6. Asset transactions other than those referred to in the preceding subparagraph, disposal of claims by financial institutions, or investments in Mainland China, where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more; provided, however, that the following circumstances shall not apply:
 - (1) Trading of domestic government bonds or foreign government bonds with a credit rating not lower than the sovereign rating of the Republic of China.
 - (2) Securities trading conducted by professional investors on securities exchanges or at securities firms' business premises, or subscription in the primary market of foreign government bonds or corporate bonds issued for public offering that do not involve equity, or general financial bonds (excluding subordinated bonds), or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or redemption of exchange-traded notes, or securities subscribed by securities firms as required for underwriting business or as recommended securities for emerging stock companies in accordance with the regulations of the Taipei Exchange.
 - (3) Trading of bonds under repurchase or resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

The transaction amount referred to in the preceding paragraph shall be calculated as follows:

1. The amount of each individual transaction.
2. The cumulative amount of transactions for the acquisition or disposal of the same type of underlying asset with the same counterparty within one year.
3. The cumulative amount of acquisition or disposal (calculated separately for acquisitions and disposals) of real property or right-of-use assets thereof under the same development project within one year.

4. The cumulative amount of acquisition or disposal (calculated separately for acquisitions and disposals) of the same securities within one year.

The term “within one year” as referred to in the preceding paragraph shall be calculated retrospectively for one year from the date of occurrence of the current transaction. Any portion already publicly announced in accordance with these Regulations shall be excluded from the calculation.

The Company shall, on a monthly basis, report the status of derivatives trading conducted by the Company and its subsidiaries that are not domestic public companies as of the end of the previous month, in the prescribed format, by entering such information into the information reporting website designated by the competent authority by the 10th day of each month.

If any item that the Company is required to publicly announce contains any error or omission at the time of announcement and requires correction, the Company shall re-make the public announcement and filing of all items within two days from the date it becomes aware of such error or omission.

When the Company acquires or disposes of assets, it shall retain the relevant contracts, meeting minutes, registers, appraisal reports, and opinions issued by certified public accountants, attorneys, or securities underwriters at the Company. Unless otherwise provided by other laws, such documents shall be retained for at least five years.

Article 8. After the Company has publicly announced and filed a transaction in accordance with the preceding Article, if any of the following circumstances occurs, the Company shall, within two days from the date of occurrence, publicly announce and file the relevant information on the website designated by the competent authority:

1. Any amendment, termination, or rescission of the relevant contract originally entered into for the transaction.
2. Failure to complete a merger, demerger, acquisition, or transfer of shares according to the scheduled timeline set forth in the contract.
3. Any change to the content originally publicly announced and filed.

Article 9. Where a subsidiary of the Company is not a domestic public company and its acquisition or disposal of assets reaches the threshold requiring public announcement and filing as prescribed in the preceding Chapter of the *Regulations Governing the Acquisition and Disposal of Assets by Public Companies*, such announcement and filing shall be made by the Company.

For the thresholds of public announcement and filing referred to in the preceding paragraph that are based on paid-in capital or total assets, the paid-in capital or total assets of the Company shall be used as the basis for calculation.

Article 9-2. In these Procedures, the term “10% of total assets” shall be calculated based on the total assets as stated in the most recent standalone or individual financial statements prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

For companies whose shares have no par value or a par value other than NT\$10 per share, the provisions in these Procedures regarding transaction amounts calculated as 20% of paid-in capital shall instead be calculated as 10% of equity attributable to owners of the Company. For the provisions in these Regulations regarding transaction amounts applicable to companies with paid-in capital of NT\$10 billion or more, such amounts shall be calculated based on equity attributable to owners of the parent of NT\$20 billion.

Article 10. Where the Company acquires or disposes of real property, equipment, or right-of-use assets thereof, except for transactions with domestic government agencies, self-construction on owned land, construction on leased land, or acquisition or disposal of equipment or right-of-use assets for business use, and where the transaction amount reaches 20% of the Company’s paid-in capital or NT\$300 million or more, the Company shall obtain an appraisal report issued by a professional appraiser prior to the date of occurrence, and shall comply with the following provisions:

1. Where, due to special circumstances, it is necessary to use a restricted price, specified price, or special price as a reference for the transaction price, such transaction shall first be submitted to and approved by the Board of Directors; the same shall apply to any subsequent changes to the transaction conditions.
2. Where the transaction amount reaches NT\$1 billion or more, appraisals shall be obtained from two or more professional appraisers.
3. Where any of the following circumstances applies to the appraisal results of professional appraisers, except where all appraisal results for acquired assets are higher than the transaction amount, or all appraisal results for disposed assets are lower than the transaction amount, a certified public accountant shall be engaged to express specific opinions regarding the reasons for the discrepancy and the fairness of the transaction price:
 - (1) Where the discrepancy between the appraisal result and the transaction amount reaches 20% or more of the transaction amount.

(2) Where the discrepancy between the appraisal results of two or more professional appraisers reaches 10% or more of the transaction amount.

4. The date of the appraisal report issued by the professional appraiser shall not be more than three months prior to the date of contract formation. However, if the same publicly announced current value is applied and the period does not exceed six months, an opinion letter may be issued by the original professional appraiser.

Article 11. Where the Company acquires or disposes of securities, it shall obtain the most recent financial statements of the target company, audited or reviewed by a certified public accountant, prior to the date of occurrence, as a reference for evaluating the transaction price. Where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall, prior to the date of occurrence, engage a certified public accountant to express an opinion on the reasonableness of the transaction price; provided, however, that this requirement shall not apply where the securities have publicly quoted prices in an active market or where otherwise provided by the Financial Supervisory Commission.

Article 12. Where the Company acquires or disposes of intangible assets, right-of-use assets thereof, or membership certificates, and the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, except for transactions with domestic government agencies, the Company shall, prior to the date of occurrence, engage a certified public accountant to express an opinion on the reasonableness of the transaction price.

Article 12-1 The calculation of transaction amounts referred to in the preceding three Articles shall be handled in accordance with Paragraphs 2 and 3 of Article 31 of the *Regulations Governing the Acquisition and Disposal of Assets by Public Companies*.

Article 13. Where the Company acquires or disposes of assets through court auction procedures, the documentary evidence issued by the court may be used in lieu of an appraisal report or a certified public accountant's opinion.

Article 14. Where the Company acquires or disposes of real property or right-of-use assets thereof from or to a related party, or acquires or disposes of assets other than real property or right-of-use assets thereof with a related party and the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT\$300 million or more, except for trading of domestic government bonds, bonds under repurchase or resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the

following information shall first be approved by more than one-half of all members of the Audit Committee and submitted to the Board of Directors for resolution before the transaction contract may be entered into and payments made:

1. The purpose, necessity, and anticipated benefits of the acquisition or disposal of assets.
2. The reason for selecting the related party as the transaction counterparty.
3. For acquisition of real property or right-of-use assets thereof from a related party, relevant information for assessing the reasonableness of the proposed transaction terms in accordance with Articles 16 and 17.
4. The date and price at which the related party originally acquired the asset, the transaction counterparty, and its relationship with the Company and the related party.
5. A projected monthly cash flow statement for the coming year starting from the anticipated month of contract execution, and an evaluation of the necessity of the transaction and the reasonableness of the use of funds.
6. An appraisal report issued by a professional appraiser or an opinion issued by a certified public accountant obtained in accordance with the preceding Article.
7. Restrictive covenants and other important agreed matters for this transaction.

For the following transactions conducted between the Company and its subsidiaries, or between subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital, the Board of Directors may authorize the Chairman to make decisions within a specified limit, with subsequent submission to the most recent Board meeting for ratification:

1. Acquisition or disposal of equipment or right-of-use assets for business use.
2. Acquisition or disposal of right-of-use assets of real property for business use.

Where the Company has established independent directors in accordance with the law, when matters are submitted to the Board of Directors for discussion pursuant to Paragraph 1, the opinions of each independent director shall be fully considered. Any objection or qualified opinion expressed by an independent director shall be recorded in the minutes of the Board meeting.

Where the Company has established an Audit Committee in accordance with the law, matters shall first be approved by more than one-half of all members of the Audit Committee and then submitted to the Board of Directors for resolution. If such approval is not obtained from more than one-half of all members of the Audit

Committee, the matter may be approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board meeting.

Where the Company or its subsidiary that is not a domestic public company engages in a transaction described in Paragraph 1 and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit the information listed in Paragraph 1 to the shareholders' meeting for approval before entering into the transaction contract and making payment. However, this requirement shall not apply to transactions between the Company and its subsidiaries, or between subsidiaries.

The calculation of the transaction amount referred to in Paragraph 1 and the preceding paragraph shall be handled in accordance with Paragraph 2 of Article 31. The term "within one year" shall be calculated retrospectively for one year from the date of occurrence of the current transaction. Amounts already submitted to and approved by the shareholders' meeting, the Board of Directors, and recognized by the Audit Committee in accordance with these Regulations shall be excluded from the calculation.

Article 15. Where the Company acquires real property or right-of-use assets thereof from a related party, it shall evaluate the reasonableness of the transaction cost using the following methods:

1. Based on the transaction price of the related party, plus necessary interest costs on funding and costs to be borne by the buyer in accordance with the law. The necessary interest cost on funding shall be calculated based on the weighted average interest rate of the borrowings in the year in which the Company purchased the asset; provided that it shall not exceed the maximum lending rate for non-financial institutions announced by the Ministry of Finance.
2. Where the related party has previously created a mortgage on the subject asset with a financial institution, the total appraised value of the loan granted by the financial institution for the subject asset shall be used as reference; provided that the actual cumulative amount loaned by the financial institution shall reach 70% or more of the appraised value and the loan period has exceeded one year. This shall not apply where the financial institution and one of the transaction parties are related parties.

Where land and buildings are purchased or leased together under the same transaction, the transaction cost may be evaluated separately for land and buildings using any of the methods set forth in the preceding paragraph.

Where the Company acquires real property or right-of-use assets thereof from a related party, it shall evaluate the cost of such real property or right-of-use assets in accordance with the preceding two paragraphs and shall engage a certified public accountant to review and express a specific opinion.

Where the Company acquires real property or right-of-use assets thereof from a related party under any of the following circumstances, the provisions of the preceding Article shall apply, and the preceding three paragraphs shall not apply:

1. The related party acquired the real property or right-of-use assets through inheritance or gift.
2. More than five years have elapsed since the related party entered into the contract to acquire the real property or right-of-use assets.
3. The real property is acquired through entering into a joint construction agreement with the related party, or through self-construction on owned land or construction on leased land commissioned to the related party.
4. Acquisition of right-of-use assets of real property for business use between the Company and its subsidiaries, or between subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital.

Article 16. Where the Company's evaluation results in accordance with Paragraphs 1 and 2 of the preceding Article are lower than the transaction price, the Company shall handle the matter in accordance with Article 18. However, this shall not apply where the following circumstances exist and objective evidence is presented along with specific and reasonable opinions issued by professional real estate appraisers and certified public accountants:

1. Where the related party acquired undeveloped land or leased land for subsequent construction, and evidence is provided showing compliance with any of the following conditions:
 - (1) The undeveloped land is evaluated in accordance with the method prescribed in the preceding Article, and the building is calculated based on the related party's construction cost plus a reasonable construction profit, and the total exceeds the actual transaction price. The "reasonable construction profit" shall be based on the lower of the average gross profit margin of the related party's construction division over the most recent three years or the latest construction industry gross profit margin announced by the Ministry of Finance.

(2) Other non-related party transaction cases for other floors of the same property or nearby areas within one year, with similar area and comparable conditions after adjustments for reasonable price differences by floor or location in accordance with customary real estate transaction or leasing practices.

1. Where the Company provides evidence that the transaction conditions for acquiring real property or obtaining right-of-use assets thereof from a related party are comparable to those of other non-related party transactions within one year in nearby areas and with similar area.

The term “nearby area transaction cases” in the preceding paragraph shall, in principle, refer to cases within the same or adjacent blocks and within a radius of no more than 500 meters from the subject property or with similar publicly announced current values. “Similar area” shall, in principle, mean that the area of other non-related party transaction cases is not less than 50% of the area of the subject property. The term “within one year” shall be calculated retrospectively for one year from the date of occurrence of the current acquisition of real property or right-of-use assets.

Article 17. Where the Company acquires real property or right-of-use assets thereof from a related party and the evaluation results in accordance with the preceding two Articles are lower than the transaction price, the Company shall handle the matter as follows:

1. The difference between the transaction price of the real property or right-of-use assets and the evaluated cost shall be set aside as a special reserve in accordance with Paragraph 1 of Article 41 of the Securities and Exchange Act and shall not be distributed or used for capital increase by issuing new shares. Where an investor using the equity method is a public company, it shall also set aside a special reserve in proportion to its shareholding in accordance with the same provision.
2. Independent directors of the Audit Committee shall handle the matter in accordance with Article 218 of the Company Act.
3. The handling of the preceding two subparagraphs shall be reported to the shareholders’ meeting, and the details of the transaction shall be disclosed in the annual report and prospectus.

Where the Company has set aside a special reserve in accordance with the preceding paragraph, such reserve may not be utilized until the asset purchased or leased at a premium has been recognized for impairment loss, disposed of, or the lease terminated, or appropriate compensation has been made or the original

condition restored, or other evidence confirms that there is no unreasonableness, and approval has been obtained from the competent authority.

Where other evidence indicates that the transaction does not conform to normal business practices, the Company shall also handle the matter in accordance with the preceding two paragraphs.

- Article 18. When the Company engages in derivatives trading, it shall pay attention to the following key risk management and audit control matters:
1. Trading principles and strategies, including types of derivatives permitted, operational or hedging strategies, division of responsibilities, performance evaluation methods, total contract amount permitted, and limits on total and individual contract losses.
 2. Risk management measures.
 3. Internal audit system.
 4. Regular evaluation methods and handling of abnormal circumstances.
- Article 19. 1. Total contract amount for derivatives trading:
The total contract amount shall not exceed 30% of the Company's net worth. Net worth shall be based on the most recent financial statements audited or reviewed by a certified public accountant.
2. Limits on total and individual contract losses:
 - (1) For foreign exchange forward contracts used for hedging, the loss limit for total and individual contracts shall be 10% of the transaction amount.
 - (2) For interest rate swap hedging transactions, the loss limit for total and individual contracts shall be 10% of the transaction amount.
 - (3) For other derivatives, the loss limit for total and individual contracts shall be 10% of the transaction amount.
- If any of the above stop-loss limits is reached, unless approval is obtained from the Chairman for a specific case, the position shall be closed immediately to effectively control risk.
- Article 20. When the Company engages in derivatives trading, it shall adopt the following risk management measures:
1. The scope of risk management shall include credit risk, market price risk, liquidity risk, cash flow risk, operational risk, and legal risk.
 2. Personnel responsible for derivatives trading and those responsible for confirmation and settlement operations shall not serve concurrently.
 3. Personnel responsible for risk measurement, monitoring, and control shall belong to different departments from those in the preceding subparagraph

and shall report to the Board of Directors or to senior management personnel not responsible for transaction or position decisions.

4. Positions held in derivatives trading shall be evaluated at least once a week; however, hedging transactions conducted for business needs shall be evaluated at least twice a month, and the evaluation reports shall be submitted to senior management personnel authorized by the Board of Directors.
5. Other important risk management measures.

Article 21. When the Company engages in derivatives trading, the Board of Directors shall faithfully supervise and manage such activities in accordance with the following principles:

1. Designate senior management personnel to continuously monitor and control risks associated with derivatives trading.
2. Regularly evaluate whether the performance of derivatives trading is consistent with established business strategies and whether the risks undertaken are within the Company's acceptable tolerance.

Senior management personnel authorized by the Board of Directors shall manage derivatives trading in accordance with the following principles:

1. Regularly evaluate whether the current risk management measures are appropriate and ensure compliance with these Regulations and the Company's procedures for derivatives trading.
2. Supervise transaction and profit/loss conditions, and where any abnormality is discovered, take necessary responsive measures and immediately report to the Board of Directors. Where independent directors have been appointed, they shall attend Board meetings and express their opinions.

Where the Company authorizes relevant personnel to conduct derivatives trading, such matters shall subsequently be submitted to the most recent Board meeting for ratification.

Article 22. When the Company engages in derivatives trading, it shall establish a register for recordation, in which it shall record in detail the types and amounts of derivatives transactions, the dates of Board approval, and the matters required to be carefully evaluated in accordance with Subparagraph 4 of Article 20, Subparagraph 2 of Paragraph 1 of the preceding Article, and Subparagraph 1 of Paragraph 2 thereof. The Company's internal audit personnel shall regularly review the appropriateness of internal controls over derivatives trading and shall conduct monthly audits on the compliance of the trading department with the procedures for derivatives trading. An audit report shall be prepared, and if any material violation is

discovered, a written notice shall be submitted to all independent directors of the Audit Committee.

Article 23. When the Company conducts a merger, demerger, acquisition, or transfer of shares, it shall, prior to convening the Board of Directors for resolution, engage a certified public accountant, attorney, or securities underwriter to express an opinion on the reasonableness of the share exchange ratio, acquisition price, or cash or other property to be distributed to shareholders, and submit such opinion to the Board of Directors for discussion and approval. However, where a public company merges with a subsidiary in which it directly or indirectly holds 100% of the issued shares or total capital, or where such wholly-owned subsidiaries merge with each other, the requirement to obtain the aforementioned expert opinion may be exempted.

Article 24. When the Company participates in a merger, demerger, or acquisition, it shall prepare a public document for shareholders prior to the shareholders' meeting, detailing the important contractual contents and relevant matters of the merger, demerger, or acquisition, and deliver it to shareholders together with the expert opinion referred to in the preceding Article and the notice of the shareholders' meeting, as a reference for determining whether to approve the proposal. However, this shall not apply where, in accordance with other laws, a shareholders' meeting is not required.

If, during a merger, division, or acquisition, the Company is unable to convene or pass a resolution at a shareholders' meeting due to insufficient attendance, voting rights, or other legal restrictions, or if a resolution is rejected by the shareholders' meeting, the Company shall immediately disclose to the public the reasons for the failure, the subsequent handling procedures, and the expected date for convening the shareholders' meeting.

Article 25. Companies participating in a merger, demerger, or acquisition shall convene their Board of Directors and shareholders' meetings on the same day to resolve relevant matters, unless otherwise provided by law or approved in advance by the competent authority due to special circumstances.

Companies participating in a transfer of shares shall convene their Board of Directors on the same day, unless otherwise provided by law or approved in advance by the competent authority.

Companies whose shares are listed or traded over-the-counter participating in such transactions shall prepare complete written records of the following information and retain them for five years for inspection:

1. Basic information of personnel: including the titles, names, and identification numbers (passport numbers for foreigners) of all persons involved in the planning or execution of the transaction prior to disclosure.
2. Dates of important events: including signing of letters of intent or memoranda, engagement of financial or legal advisors, contract signing, and Board meetings.
3. Important documents and minutes: includes merger, division, acquisition, or share transfer plans, letters of intent or memoranda, major contracts, and Board meeting minutes.

Companies involved in mergers, divisions, acquisitions, or share transfers whose listed companies or whose shares are traded on securities brokerage firms shall, within two days of the date of the board resolution, submit the information in paragraphs 1 and 2 of the preceding paragraph to the competent authority in accordance with the prescribed format via the Internet information system for record-keeping.

Article 26. Anyone who participates in or becomes aware of a company merger, division, acquisition, or share transfer plan shall provide a written confidentiality agreement, promising not to disclose the details of the plan to any third party before the information is made public, and not to buy or sell, either directly or in the name of another person, any stock or other equity securities of any company related to the merger, division, acquisition, or share transfer.

Article 27. Except in the following circumstances, the share exchange ratio or acquisition price in which our company participates in mergers, divisions, acquisitions, or share transfers shall not be arbitrarily changed, and such changes shall be subject to the provisions of the merger, division, acquisition, or share transfer agreement:

1. Capital increase, issuance of convertible bonds, bonus shares, bonds with warrants, preferred shares with warrants, warrants, or other equity securities.
2. Disposal of major assets affecting financial or business operations.
3. Major disasters or technological changes affecting shareholder equity or market price.
4. Adjustments to the repurchase of treasury shares by any party involved in a merger, division, acquisition, or share transfer in accordance with the law.
5. The number or number of entities involved in a merger, division, acquisition, or share transfer may increase or decrease.
6. Other conditions specified in the contract and publicly disclosed.

- Article 28. The company participates in a merger, division, acquisition, or share transfer, the agreement shall specify the rights and obligations of the participating company and shall include the following:
1. Handling of breach of contract.
 2. The principles for handling equity securities or repurchased treasury shares issued by companies that are dissolved or divided due to mergers.
 3. After the share exchange ratio calculation benchmark date, participating companies may legally repurchase the number of treasury shares and the principles for handling them.
 4. How to handle changes in the number or number of participating entities.
 5. Expected progress of the plan and expected completion schedule.
 6. If the plan is not completed by the deadline, the relevant procedures, such as the scheduled date for the shareholders' meeting, shall be followed in accordance with the law.
- Article 29. Where the Company participates in a merger, demerger, acquisition, or transfer of shares, and after the information has been publicly disclosed, it intends to conduct another merger, demerger, acquisition, or transfer of shares with other companies, except where the number of participating parties is reduced and the shareholders' meeting has adopted a resolution authorizing the Board of Directors to make such changes, thereby exempting the participating companies from convening another shareholders' meeting for resolution, any procedures or legal acts already completed in the original merger, demerger, acquisition, or transfer of shares shall be carried out again by all participating companies.
- Article 30. Where the Company participates in a merger, demerger, acquisition, or transfer of shares, and any of the participating companies is not a public company, the Company shall enter into an agreement with such company and shall handle the matter in accordance with Articles 25, 26, and the preceding Article of the *Regulations Governing the Acquisition and Disposal of Assets by Public Companies*.
- Article 31. The total amount of real property and right-of-use assets thereof acquired by the Company and its subsidiaries for non-operating use shall not exceed 10% of total assets, and the amount of any individual investment in securities shall not exceed 50% of total assets.
- Article 32. The acquisition or disposal of assets by the Company's subsidiaries shall be handled in accordance with these Procedures.
- Article 33. Penalties
- Where any manager or responsible personnel of the Company violates these Procedures, disciplinary actions shall be imposed in accordance with the

Company's performance evaluation regulations. In serious cases, the individual shall be dismissed and investigated, and shall be liable for compensation for any damages incurred by the Company in accordance with the law.

Article 34. Any matters not provided for in these Procedures shall be handled in accordance with applicable laws and regulations.

Article 35. Supplementary Provisions

These Procedures shall be approved by more than one-half of all members of the Audit Committee, submitted to the Board of Directors for resolution, and then submitted to the shareholders' meeting for approval before implementation. The same shall apply to any amendments. If any director expresses dissent and such dissent is recorded or stated in writing, the Company shall submit such dissenting opinions to the Audit Committee. Where the Company has established independent directors, when the *Procedures for Acquisition or Disposal of Assets* are submitted to the Board of Directors for discussion, full consideration shall be given to the opinions of each independent director, and their opinions for or against, along with the reasons, shall be recorded in the minutes of the meeting. If the approval of more than one-half of all members of the Audit Committee is not obtained, the matter may be approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board meeting.

Article 36. These Procedures shall be implemented upon approval by the shareholders' meeting, and the same shall apply to any amendments.

These Procedures were adopted on August 15, 2018 upon approval by the Board of Directors, and subsequently implemented after approval by the shareholders' meeting on June 19, 2019.

The first amendment was approved by the Board of Directors on October 3, 2019 and implemented after approval by the shareholders' meeting on November 12, 2019.

The second amendment was approved by the Board of Directors on March 24, 2022 and implemented after approval by the shareholders' meeting on June 16, 2022.

Related Form: Application Form for Derivatives Transactions

Wendell Industrial Co., Ltd.**1. Purpose**

To provide a basis for the Company's operations in loaning funds to others.

2. Scope

These Procedures shall apply to the Company and all its subsidiaries.

The terms "subsidiary" and "parent company" referred to herein shall be determined in accordance with the *Regulations Governing the Preparation of Financial Reports by Securities Issuers*.

Where the Company prepares its financial reports in accordance with International Financial Reporting Standards, the term "net worth" referred to herein shall mean the equity attributable to owners of the parent as stated in the balance sheet under the said Regulations.

3. Authority and Responsibility

The Accounting and Finance Department shall be the responsible unit for these Procedures and shall be in charge of formulation and revision.

4. Definitions

(Omitted)

5. Procedures

(Omitted)

6. Content

(1) Pursuant to Article 15 of the Company Act, the Company shall not loan funds to any shareholder or any other person except under the following circumstances:

1. Where there is business interaction between companies or firms.
2. Where there is a short-term need for financing between companies or firms. The total amount of such financing shall not exceed 40% of the net worth of the lending enterprise.

The term "short-term" in the preceding paragraph shall mean a period of one year. However, if the Company's operating cycle exceeds one year, the operating cycle shall prevail.

The term "financing amount" referred to in Subparagraph 2 of Paragraph 1 shall mean the cumulative amount of short-term financing provided by the Company.

For foreign companies in which the Company directly or indirectly holds 100% of the voting shares, loans of funds among such companies shall not be subject to the restriction set forth in Subparagraph 2 of Paragraph 1. However, the limits and terms of such loans shall still be prescribed in accordance with Subparagraphs (2), (3), and (4).

(2) The total amount of loans shall not exceed 40% of the Company's most recent net worth as audited by a certified public accountant. For companies or firms having business

dealings with the Company, the amount of each individual loan shall not exceed the amount of business transactions between the two parties. The term “amount of business transactions” shall refer to the higher of the purchase or sales amount between the two parties. For subsidiaries requiring short-term financing, the amount of each individual loan shall not exceed 10% of the Company’s net worth.

- (3) The term of each loan shall not exceed one year.
- (4) Interest on loans shall be calculated on a daily basis, and the interest rate shall not be lower than the highest short-term borrowing rate of the Company from financial institutions. Interest shall, in principle, be paid on a monthly basis.
- (5) When a borrower applies for a loan from the Company, it shall provide basic information, financial information, collateral information, repayment plans, and other relevant documents to facilitate the credit investigation process. After receiving the application, the Accounting and Finance Department shall review the borrower’s use of funds and recent financial and business conditions to assess the reasonableness and necessity of the loan, as well as the borrower’s repayment ability, and prepare a report. The Accounting and Finance Department shall conduct a detailed investigation and evaluation of the borrower, including at least:
 1. Necessity and reasonableness of loaning funds.
 2. Whether the loan amount is necessary based on the borrower’s financial condition.
 3. Whether cumulative loan amounts remain within limits.
 4. Impact on the Company’s operational risk, financial condition, and shareholders’ equity.
 5. Whether collateral should be obtained and its appraised value.
 6. Credit investigation and risk assessment records.
- (6) Where, after evaluation, a loan is not to be granted, the Accounting and Finance Department shall report the reasons for rejection in writing, and after approval by the General Manager, shall promptly notify the borrower. For cases where a loan is to be granted, the Accounting and Finance Department shall prepare the relevant documents and evaluation report, formulate the loan conditions, and submit them to the General Manager for review and onward submission to the Board of Directors for approval. Loans of funds between the Company and its subsidiaries, or between subsidiaries, shall be submitted to the Board of Directors for resolution in accordance with the preceding paragraph, and the Chairman may be authorized to disburse funds in installments or allow revolving use to the same borrower within a certain limit approved by the Board and within a period not exceeding one year.

The “certain limit” referred to in the preceding paragraph, except for those in compliance with Subparagraph 2 of Paragraph 1, shall not exceed 10% of the net worth of the

Company as stated in its most recent financial statements for loans of funds to a single enterprise by a public company or its subsidiaries.

- (7) After a loan application has been approved, the responsible personnel shall promptly notify the borrower in writing, detailing the Company's lending conditions, including the loan amount, term, interest rate, promissory note, collateral promissory note, and guarantor. For approved loan cases, the responsible personnel shall draft the loan agreement terms, which must be reviewed and approved by legal counsel, then reviewed by the supervising personnel, and thereafter request the borrower to complete the contract signing procedures within the prescribed period. The contents of the loan agreement shall be consistent with the approved loan conditions. After the borrower and the joint guarantor have signed and sealed the agreement, the responsible personnel shall complete the verification procedures.
- (8) When the Company provides loans of funds, it shall obtain a promissory note of equivalent value as security, and where necessary, shall establish a mortgage over movable or immovable property. For the aforementioned creditor's rights security, where the debtor provides an individual or a company with sufficient financial capacity and creditworthiness as a guarantor in lieu of providing collateral, the Board of Directors may handle the matter with reference to the credit investigation report prepared by the Finance Department. Where a company acts as the guarantor, attention shall be paid to whether its Articles of Incorporation include provisions permitting it to act as a guarantor.
- (9) After the loan has been disbursed, the Company shall continuously monitor the financial condition, business operations, and credit status of the borrower and the guarantor. Where collateral has been provided, attention shall also be paid to whether its value has changed. In the event of any material change, it shall be immediately reported to the Chairman, and appropriate actions shall be taken in accordance with instructions. The borrower shall be notified to repay principal and interest one month prior to the loan maturity date. Upon repayment, the interest payable shall be calculated, and after the principal and interest have been fully settled, the Accounting and Finance Department may cancel and return the promissory note, loan agreement, and other evidentiary documents of the creditor's rights to the borrower, or proceed with the cancellation of the mortgage registration.
- If the borrower fails to fulfill the repayment obligation upon maturity, the responsible personnel shall, in addition to notifying the borrower, immediately report to the General Manager and consult legal counsel to initiate creditor rights preservation procedures, and shall report the matter to the Board of Directors.

- (10) After the disbursement of funds, receipts, promissory notes, and other evidentiary documents of creditor's rights, as well as contracts and related documents, shall be properly arranged in sequence, placed into a file envelope, and stored in a safe custody box. The borrower, loan amount, date of Board approval, date of loan disbursement, term, interest calculation method, and collateral shall be recorded in detail in the register for recordation.
- (11) Where any manager or responsible personnel of the Company violates these Guidelines, disciplinary actions shall be imposed in accordance with the performance evaluation regulations; in serious cases, the individual shall be dismissed and investigated, and shall be liable for compensation for any damages incurred by the Company in accordance with the law. The Company's internal audit personnel shall conduct audits of the procedures and implementation of loans of funds to others at least on a quarterly basis and prepare written records. If any material violation is discovered, a written notice shall be immediately submitted to all independent directors of the Audit Committee, and disciplinary actions shall be imposed on the managers and responsible personnel depending on the severity of the violation. Where a subsidiary of the Company intends to loan funds to others, the Company shall require such subsidiary to establish procedures for loans of funds to others in accordance with the regulations and to handle such matters in accordance with the established procedures.
- (12) Where, due to changes in circumstances, the loan recipient no longer meets the prescribed requirements or the outstanding balance exceeds the prescribed limit, the Company shall formulate a corrective plan, submit the relevant plan to all independent directors of the Audit Committee, and complete the improvements in accordance with the prescribed schedule in order to strengthen internal control.
- (13) The Company shall, before the 10th day of each month, publicly announce and report the balance of loans of funds of the Company and its subsidiaries as of the end of the previous month. Where the balance of loans of funds reaches any of the following thresholds, the Company shall, within two days from the date of occurrence, publicly announce and report:
1. Where the aggregate balance of loans of funds to others by the Company and its subsidiaries reaches 20% or more of the Company's net worth as stated in its most recent financial statements.
 2. Where the balance of loans of funds to a single enterprise by the Company and its subsidiaries reaches 10% or more of the Company's net worth as stated in its most recent financial statements.

3. Where the amount of a newly increased loan of funds by the Company or its subsidiaries reaches NT\$10 million or more and also reaches 2% or more of the Company's net worth as stated in its most recent financial statements.

The term "date of occurrence" as referred to in these Guidelines means the earlier of the date of contract execution, the date of payment, the date of resolution by the Board of Directors, or any other date on which the transaction counterparty and transaction amount can be determined.

- (14) Where a subsidiary of the Company is not a domestic public company and such subsidiary has matters requiring public announcement and reporting under Subparagraph 3 of the preceding paragraph, the Company shall make such announcement and report on its behalf.
 - (15) The Company shall evaluate the status of loans of funds and provide adequate allowance for bad debts, and shall appropriately disclose relevant information in the financial reports, and provide relevant information to enable the certified public accountant to perform necessary audit procedures and issue an appropriate audit report.
 - (16) Regardless of the counterparty of accounts receivable, all accounts receivable that are overdue beyond the normal credit period for a certain period (three months) shall be evaluated to determine whether they are in substance loans of funds.
7. Any matters not provided for in these Guidelines shall be handled in accordance with applicable laws and regulations and the Company's relevant internal rules.
 8. These Guidelines shall be approved by more than one-half of all members of the Audit Committee, submitted to the Board of Directors for resolution, and then submitted to the shareholders' meeting for approval. If any director expresses dissent and such dissent is recorded or stated in writing, the Company shall submit such dissenting opinions to all independent directors of the Audit Committee and report them to the shareholders' meeting for discussion. The same shall apply to any amendments.
If these Guidelines are not approved by more than one-half of all members of the Audit Committee, they may be implemented upon approval by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board meeting.
 9. These Guidelines shall be implemented upon approval by the shareholders' meeting, and the same shall apply to any amendments.
These Guidelines were adopted on June 19, 2019.
The first amendment was made on November 12, 2019.
The second amendment was made on July 8, 2021.

Wendell Industrial Co., Ltd.**Article 1. Purpose**

These Guidelines are established to safeguard shareholders' rights and reduce the risks associated with the Company's provision of endorsements and guarantees.

Article 2. Scope

These Guidelines shall apply to the Company and all its branches. The term "endorsements and guarantees" refers to the following:

1. Financing endorsements and guarantees, including:
 - (1) Bill discount financing.
 - (2) Endorsements or guarantees made for the purpose of financing another company.
 - (3) Issuance of negotiable instruments by the Company for the purpose of its own financing as guarantees provided to non-financial institutions.
2. Customs duty endorsements and guarantees, referring to endorsements or guarantees made in connection with customs matters for the Company or other companies.
3. Other endorsements and guarantees, referring to matters that cannot be classified under the preceding two subparagraphs.
4. Where the Company provides movable or immovable property as collateral for another company's borrowings by establishing a pledge or mortgage, such matters shall also be handled in accordance with these Guidelines.

Article 3. Authority and Responsibility

The Finance Department shall be the responsible unit for these Guidelines and shall be in charge of their formulation and revision.

Article 4. Definitions

Omitted.

Article 5. Procedures

Omitted.

Article 6. Content

1. The parties to whom the Company may provide endorsements and guarantees shall be limited to:
 - (1) Companies in which the Company directly or indirectly holds more than 50% of the voting shares.
 - (2) Companies in which the Company directly or indirectly holds 90% or more of the voting shares may provide endorsements and guarantees to each other, provided that the amount shall not exceed 10% of the Company's net worth.

However, between companies in which the Company directly or indirectly holds 100% of the voting shares, endorsements and guarantees may be provided, and the amount shall not exceed 10% of the Company's net worth.

2. The total amount of the Company's endorsement and guarantee liabilities shall not exceed the Company's paid-in capital, and the amount for endorsement and guarantee provided to a single enterprise shall not exceed 50% of the Company's paid-in capital. The limits for endorsements and guarantees include the total amount of endorsements and guarantees provided by the Company and the amount provided to a single enterprise, as well as the total amount and single enterprise amount for endorsements and guarantees that may be provided by the Company and its subsidiaries as a whole. Where the total amount of endorsements and guarantees set by the Company and its subsidiaries reaches 50% or more of the net worth of a public company, the necessity and reasonableness thereof shall be explained at the shareholders' meeting.
3. Before providing an endorsement or guarantee, the endorsed or guaranteed company shall submit an application to the Company. The Finance Department shall evaluate the risk and submit the evaluation records for approval by the General Manager and the Chairman. Collateral shall be obtained where necessary. The evaluation shall include:
 - (1) Necessity and reasonableness of the endorsement and guarantee.
 - (2) Whether the amount of endorsement is necessary based on the financial condition of the endorsed/guaranteed company.
 - (3) Whether the cumulative amount of endorsements and guarantees remains within the prescribed limits.
 - (4) The impact on the Company's operational risk, financial condition, and shareholders' equity.
 - (5) Whether collateral should be obtained and the appraised value thereof.
 - (6) Credit investigation and risk assessment records.

Where the endorsed/guaranteed party is a subsidiary with net worth less than one-half of its paid-in capital, the Company shall, in addition to detailed review of necessity, reasonableness, and risk, establish subsequent control measures to manage potential risks, and submit the matter to the Board of Directors for approval before proceeding.

4. The Company shall obtain approval from the Board of Directors before providing any endorsement or guarantee. Before a subsidiary in which the Company directly or indirectly holds 90% or more of the voting shares

provides an endorsement or guarantee, it shall first be submitted to the Company's Board of Directors for approval. Where independent directors have been established, their opinions shall be fully considered, and their clear opinions for or against, together with reasons for opposition, shall be recorded in the Board meeting minutes. The Board of Directors may authorize the Chairman to make decisions during recess periods, subject to subsequent ratification by the Board. Where it is necessary for business reasons to exceed the limits specified in Subparagraph 2, approval by the Board of Directors shall be obtained, and more than half of the directors shall jointly provide a guarantee for the excess portion. The Procedures shall be amended and submitted to the shareholders' meeting for ratification. If the shareholders' meeting does not approve, the excess portion shall be eliminated within a specified period.

5. The Finance Department shall establish a register for recordation, recording in detail the endorsed/guaranteed party, amount, date of Board approval or Chairman's approval, date of endorsement/guarantee, matters requiring careful evaluation as specified in the preceding paragraph, and the date of cancellation.
6. The Finance Department shall evaluate or recognize contingent losses arising from endorsements and guarantees and appropriately disclose relevant information in the financial reports, and provide relevant information to the certified public accountant for issuance of an appropriate audit report.
7. The Company shall use the corporate seal registered with the Ministry of Economic Affairs as the dedicated seal for endorsements and guarantees. The seal and guarantee instruments shall be kept by designated personnel and used and issued in accordance with prescribed procedures.
8. Where the endorsed/guaranteed party originally met the Company's requirements but subsequently no longer meets them, or where the amount exceeds the prescribed limit due to changes in the basis for calculation, the amount of endorsement or the excess portion shall be eliminated upon expiration of the contract, or a corrective plan shall be formulated by the Accounting and Finance Department, approved by the Chairman, and fully implemented within a specified period. The matter shall be reported to the Board of Directors, and the corrective plan shall be submitted to all independent directors of the Audit Committee and implemented according to schedule.

9. The procedures for endorsements and guarantees provided externally by subsidiaries shall follow the Company's regulations and shall be publicly announced and reported in accordance with Subparagraph 12. The ratio of a subsidiary's endorsement and guarantee balance to net worth shall be calculated based on the ratio of such balance to the Company's net worth.
10. Where managers or responsible personnel violate the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies or these Guidelines, disciplinary actions shall be imposed based on the severity of the impact on the Company's operations.
The internal audit unit shall conduct quarterly audits of these Procedures and their implementation, prepare written records, and if any material violation is discovered, immediately notify all independent directors of the Audit Committee in writing.
Where a subsidiary intends to provide endorsements or guarantees, the Company shall require such subsidiary to establish its own procedures in accordance with regulations and to follow such procedures.
11. Where, due to changes in circumstances, the endorsed/guaranteed party no longer meets requirements or the amount exceeds the limit, the Company shall formulate a corrective plan, submit it to all independent directors of the Audit Committee, and complete the improvements in accordance with the prescribed schedule.
12. The Company shall, before the 10th day of each month, publicly announce and report the balance of endorsements and guarantees of the Company and its subsidiaries as of the end of the previous month. Where the amount reaches any of the following thresholds, the Company shall, within two days from the date of occurrence, publicly announce and report:
 - (1) The aggregate balance of endorsements and guarantees of the Company and its subsidiaries reaches 50% or more of the Company's net worth as stated in its most recent financial statements.
 - (2) The balance of endorsements and guarantees to a single enterprise reaches 20% or more of the Company's net worth as stated in its most recent financial statements.
 - (3) The balance of endorsements and guarantees to a single enterprise reaches NT\$10 million or more and the aggregate of such amount, long-term investments, and loans of funds to that enterprise reaches 30% or more of the Company's net worth as stated in its most recent financial statements.

- (4) A newly increased amount of endorsement or guarantee by the Company or its subsidiaries reaches NT\$30 million or more and also reaches 5% or more of the Company's net worth as stated in its most recent financial statements.

Where a subsidiary of the Company is not a domestic public company and has matters requiring public announcement and reporting under Subparagraph 4, the Company shall make such announcement and report on its behalf.

The term "date of occurrence" referred to in these Guidelines means the earlier of the date of contract execution, the date of payment, the date of Board resolution, or any other date on which the transaction counterparty and transaction amount can be determined.

13. Where a subsidiary's shares have no par value or a par value other than NT\$10 per share, the paid-in capital used for calculation under the preceding paragraph shall be calculated based on the sum of share capital plus capital surplus—share premium.

Article 7. Any matters not provided for in these Guidelines shall be handled in accordance with applicable laws and regulations and the Company's relevant internal rules.

Article 8. These Guidelines shall be approved by more than one-half of all members of the Audit Committee, submitted to the Board of Directors for resolution, and then submitted to the shareholders' meeting for approval. If any director expresses dissent and such dissent is recorded or stated in writing, the Company shall submit such dissenting opinions to all independent directors of the Audit Committee and report them to the shareholders' meeting for discussion. The same shall apply to any amendments.

If these Guidelines are not approved by more than one-half of all members of the Audit Committee, they may be implemented upon approval by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board meeting.

Wendell Industrial Co., Ltd.

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.

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. 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.

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.

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.

- 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 postponed 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.

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.

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.

The fifth amendment to the Rule of Procedure was approved by the Shareholders' Meeting for implementation on June 18, 2024.

Wendell Industrial Co., Ltd.
Current Shareholding of Directors

- I. In accordance with Article 14-4 of the Securities and Exchange Act, the Company has established an Audit Committee, and all independent directors have replaced the function of supervisors.
- II. Pursuant to Article 2 of the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies,” the minimum total number of shares that must be held by all directors of the Company, excluding independent directors, is 3,600,000 shares.
- III. As of the record date for the suspension of stock transfers for the 2026 Annual Meeting of Shareholders (March 28, 2026), the total number of issued shares of the Company was 34,955,867 shares(Including 174,000 treasury shares). The individual and aggregate shareholding of directors, as recorded in the shareholders roster, is as follows:

Title	Name	Shares
Chairman	Bo Hong Investment Co., Ltd. Representative: Kao, Chih-Hung	4,715,586
Vice Chairman	Hong Hui Co., Ltd. Representative: Kao, Ming-Hung	962,821
Director	Wei Hong Assets Co., Ltd. Representative: Chan, Pao-Hsian	4,715,586
Independent Director	Ho, Tzu-Shun	-
Independent Director	Lin, Chin-Feng	-
Independent Director	Tseng, Hsiao-Chuan	-
Independent Director	Liao, Yuan-Ching	-
Total		10,393,993