

Stock Code:1535



China Ecotek Corporation

2025 Annual General Meeting

Meeting Handbook

Form of meeting: Physical AGM

June 25, 2025 (Wednesday) 9:00AM

Kaohsiung Business Convention Center ,

No.5, Zhongshan 2nd Rd, Kaohsiung City, Taiwan

# Table of Contents

	Page No.
<b>One.</b> Meeting Procedures.....	2
<b>Two.</b> Meeting Agenda .....	3
I. Report Items .....	4
II. Proposals for Ratification .....	6
III. Proposals for Discussion.....	38
IV. Extraordinary Motions.....	53
<b>Three.</b> Rules and Regulations .....	54
I. Rules Governing Procedures for Shareholders' Meeting.....	54
II. Articles of Incorporation.....	63
<b>Four.</b> List of Shareholding by Current Directors.....	75

China Ecotek Corporation  
2025 Annual General Meeting  
Meeting Procedures

I. Announce Meeting

II. Chairman Remarks

III. Report Items

IV. Proposals for Ratification

V. Proposals for Discussion

VI. Extraordinary Motions

VII. Adjournment

# China Ecotek Corporation 2025 Annual General Meeting Meeting Agenda

Form of meeting: Physical AGM

Time: June 25, 2025 (Wednesday) 9:00AM

Place: Kaohsiung Business Convention Center , No.5, Zhongshan 2nd Rd, Kaohsiung City, Taiwan

Attendance: Shareholders and proxies authorized by shareholders

Chairman: Chairman of the Board

## I. Chairman Remarks

## II. Report Items

- (I) Report on the Operations of 2024.
- (II) Report on Audit Committee's Review Report of 2024.
- (III) Report on compensation for employees and remuneration for directors of 2024.

## III. Proposals for Ratification:

Proposal 1: Adoption of the 2024 Business Report and Financial Statements.

Proposal 2: Adoption of the Proposal for Distribution of 2024 profits.

## IV. Proposals for Discussion :

Proposal 1: Discussion on amendments to the Articles of Incorporation.

Proposal 2: Discussion on amendments to Article 7 of the Procedures for Acquisition or Disposal of Assets.

Proposal 3: Proposal to lift the non-compete clause for the Company's Director, Mr. Hwang, Chien-Chih.

Proposal 4: Proposal to lift the non-compete clause for the Company's Director, Mr. Chen, Shou-Tao.

## V. Extraordinary Motions

## VI. Adjournment

# I. Report Items

- (I). Report on the Operations of 2024 by President Mr. Chiang, Yung-Yu.
- (II). Report on Audit Committee's Review Report of 2024.  
(Please refer to Page 5 in this handbook)
- (III). Report on compensation for employees and remuneration for directors of 2024.

Proposed by Board of Directors

Explanatory Note:

1. According to the requirements under Article 32 of the Company's Articles of Incorporation, when the Company recorded profits in any given year, the Board of Directors shall appropriate no less than 0.1% as the remuneration for employees, and no more than 1% as the remuneration for Directors; the distribution target for employee's remuneration includes employees of its affiliates who satisfied certain conditions. However, when the Company has accumulated losses, retain the amount for compensation in advance before providing for the remuneration of employees and remuneration of Directors according to the above percentage.
2. In 2024, the Company recorded a profit of NT\$641,672,321 (i.e., profit before income tax to deducting remuneration of employees and directors). The Company intends to provide 3.1350% equivalent to an amount of NT\$20,116,162 as the employees' remuneration and 0.6270% equivalent to an amount of NT\$4,023,233 as the remunerations of directors. All were distributed in cash.

## **China Ecotek Corporation Audit Committee's Review Report**

The Board of Directors has prepared the Company's 2024 Financial Statement audited by Deloitte & Touche Taiwan, earnings distribution plan and business report. The Audit Committee has reviewed the aforementioned financial statements and documents, and concluded all information is presented fairly. We hereby submit this report pursuant to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To:

2025 Annual General Shareholders' Meeting

China Ecotek Corporation

Convener of the Audit Committee: Po-Han Wang

February 26, 2025

## II. Proposals for Ratification

**Proposal 1:** Adoption of the 2024 Business Report and Financial Statements.

Proposed by Board of Directors

Explanatory Note: Please refer to Attachement 1 for the 2024 Business Report and financial statements for the year ended December 31<sup>st</sup>, 2024.

Resolution:

## China Ecotek Corporation 2024 Business Report

### I. Operational policy

The main axis of our company's business strategy is to develop a growth strategy that focuses on the four pillars of "Engineering Field," "Operation and Maintenance," "Circular Economy" and "Sales Business", and is supplemented by the following operating policies to promote:

- (1) Strengthen core technology management and development;
- (2) Develop digital transformation and improve management efficiency;
- (3) Promote the integration of refractory engineering materials;
- (4) Develop circular economy engineering business.

### II. Implementation status of operational policy

1. We will continue to implement the existing environmental protection electromechanical turnkey projects and maintenance operations, and fully cooperate with the environmental protection equipment obsolescence, renewal and improvement projects planned by the group company; projects outside the group include the Polyplastics Taiwan Co. TLP-1(LCP) Plant Project and Caotun Water Purification Plant New Construction Project , Yushi Expo Nangang Biotechnology Park Laboratory Construction Project, etc.. With the joint efforts of all colleagues, the consolidated revenue in 2024 reached 10.859 billion NTD which was a record high in the past six years, also once again achieved a brilliant performance of 10 billion NTD in revenue.
2. Introduce a resource management system, continue to improve core technologies and increase the proportion of independent project design. At the same time, develop smart projects and establish a smart inspection system to enhance project management capabilities; comprehensively strengthen the operational decision support system to effectively improve management efficiency.
3. Cooperate with the group's environmental protection projects, strengthen the research and development and testing capabilities of refractory formulas, establish QR code storage management for refractory materials, establish partnerships with professional refractory material manufacturers, and cultivate our own professional bricklaying engineering team to enhance the refractory engineering value chain.



4. Continue to promote circular economy business, such as recycled water system engineering, steel co-production, flue gas carbon capture engineering, etc.; improve desulfurization, denitrification and dust collection technology to help customers improve air pollution; expand energy storage combined with microcomputer system engineering and solar system settings Engineering. In addition to existing products such as LED lamps, activated carbon adsorbents, air purifiers and filters, we have added sales items such as sedatives, water dispensers, raw materials, and biotechnology equipment agency businesses.

### **III. Business Outcome**

The company's target market is positioned in diversified engineering fields such as environmental protection engineering, electromechanical engineering, biotechnology plant construction engineering, electromechanical maintenance and resource recovery plants, and advanced water purification plant agency operation. The main construction projects in 2024 are as follows:

1. Environmental protection projects: CSC Energy Storage System, Microgrid System Project and PV System Construction Project ; No. 3 Coke Plant EP Revamping Project of CSC ; Power Plant TG9、TG10 EPC Project of CSC ; Power Plant No. 11 Boiler FGD System Project of CSC ; Futian Reclaimed Water Plant Project of DSC, and Caotun Water Purification Plant Construction Project, ; totaled NT\$1.523 billion, accounting for 14.02% of total revenue.
2. Electrical and mechanical engineering projects: No.1 BFR1 Blast Furnace & Coke Plant, Revamping Project of DSC ; No.1&No.2 Sintering Equipment Revamping Project of DSC ; Coke Conveying & Handling System, new-built Project of China Steel ; Ph. 2 Graphitizing Furnace, Power Station Expansion Project of CSCC ; and liquid crystal polymer plant construction project of Polyplastics Taiwan Co., Ltd. ; totaled NT\$6.252 billion, accounting for 57.57% of overall revenue.
3. Operation and electrical/mechanical maintenance and others: Electrical/mechanical maintenance projects of CSC and Dragon Steel Co., as well as the operation of Chengcing Lake and Kinmen Taihu water treatment plants, totaled NT\$ 3.084 billion, accounting for 28.41% of

overall revenue.

#### IV. Profit comparison with last year

Unit: In Thousand NTD

Year Business Item	2024	2023	Increase (Decrease) amount	Rate of change (%)
Operating revenues	10,858,807	9,759,326	1,099,481	11.27%
Operating costs	9,851,646	8,786,581	1,065,065	12.12%
Unrealized gain from sale	3,341	5,033	-1,692	-33.62%
Realized gain from sale	6,826	6,406	420	6.56%
Realized operating margin	1,010,646	974,118	36,528	3.75%
Operating expense	530,523	509,162	21,361	4.20%
Net operating income	480,123	464,956	15,167	3.26%
Net operating income (expenditure)	145,143	220,904	-75,761	-34.30%
Net income before tax	625,266	685,860	-60,594	-8.83%
Income tax expense	123,373	128,968	-5,595	-4.34%
Consolidated total net income	501,893	556,892	-54,999	-9.88%

1. Operating revenues in 2024 increased by NT\$1,099,481 thousand compared to 2023, operating costs are recognized proportionally to the percentage of projects that are completed, and efforts to control construction budget and reduce costs resulted in an increase of NT\$15,167 thousand in operating profit compared to 2023.
2. Non-operating income and expenses in 2024 decreased by NT\$75,761

thousand compared to 2023. The decrease was mainly due to an decrease of NT\$69,590 thousand Interest in financial assets and liabilities at fair value through profit or loss.

3. In summary, net income before tax in 2024 decreased by NT\$60,594 thousand compared to 2023, and annual consolidated net income decreased by NT\$54,999 thousand compared to 2023.

## **V. Research and Development Status**

Given the global commitment to achieving net-zero emissions by 2050, the Company has collaborated with the R&D unit of China Steel Co. to establish a flue gas CO<sub>2</sub> capture pilot plant, which can capture 500 tons of CO<sub>2</sub> per year with a purity of over 99%. In the future, we will conduct a test program for introducing CO<sub>2</sub> into the blast furnace bottom-blowing process to explore practical uses for CO<sub>2</sub>. In wastewater treatment, we have developed a biological agent targeting ammonia nitrogen emissions in water, which can be applied when treatment efficiency starts to decrease, thereby enhancing and restoring treatment performance. The biological agent will be dried and solidified to extend its shelf life to six months.

As for air pollution prevention technology, as air pollution prevention regulations become more rigorous, the Company has developed technology for removing SO<sub>x</sub> emissions from fixed pollution sources, utilizing a wet lime desulfurization method. At China Steel's Power Plant No. 2, we successfully achieved a desulfurization guarantee of reducing the sulfur dioxide concentration (after oxygen correction) to below 4 ppm at the No. 11 chimney outlet. Additionally, in collaboration with the R&D unit of China Steel Co., we have developed a composite (desulfurization + PM<sub>2.5</sub> removal) process. During the pilot test of the composite honeycomb plate tower combined with wet electrostatic precipitators, the desulfurization efficiency reached 99%, and the PM<sub>2.5</sub> removal rate reached 95%. After performance optimization and stabilization, the system will be ready for

industrial implementation. In terms of NO<sub>x</sub> emission control technology for fixed pollution sources, in collaboration with the R&D unit of China Steel Co., we have evaluated the application of a low- to medium-temperature selective catalytic reduction (SCR) denitrification system for China Steel's newly installed coke oven. The system achieved a denitrification efficiency of 80% during the pilot test, and it is expected to significantly reduce fuel demand and enhance environmental and energy-saving benefits.

Chairman : Ying-Pin Hsieh

Managerial Officer/

President : Yung-Yu Chiang

Accounting Officer : Ya-Min Chuang

## Independent Auditors' Report

The Board of Directors and Shareholders  
China Ecotek Corporation

### **Opinion**

We have audited the accompanying consolidated financial statements of China Ecotek Corporation (The “Company”) and its subsidiaries, which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

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

### **Basis for Opinion**

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

opinion.

## **Key Audit Matters**

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

Key audit matters of the Company and its subsidiaries' consolidated financial statements for the year ended December 31, 2024 are stated as follows:

### Assessment of the estimated total project cost

The Company and its subsidiaries have signed many construction contracts, and recognized construction revenues according to the percentage completion method during the contract period. Construction progress is calculated based on the actual construction costs incurred under each contract as a percentage of the estimated total construction cost of the project. The estimated total project cost involves a major accounting estimate, and affects the recognition of construction progress and revenues. Hence, the assessment of estimated total project cost is listed as a key audit matter. For relevant accounting policies, major accounting estimates, and explanations of determination, please refer to the Consolidated Financial Statements Note 4 and Note 5.

Our audit procedures performed included the following:

1. Understand control procedures for the assessment of the estimated total project cost, and conduct sampling inspections of the consistency between preparation process and internal controls.
2. Conduct a sampling inspection of documentation related to the assessment of the estimated total project cost for new projects and additions/reductions in the current year.
3. Conduct a sampling inspection to see if there are any major abnormalities between the actual total cost of projects concluded this year and their estimated total project cost, in order to verify the reasonableness of estimated total project cost. Conduct a

sampling inspection of abnormal changes in estimated total cost, in order to determine the reasonableness of calculating the percentage of construction progress based on the estimated total project cost before the balance sheet date.

### **Other Matter**

We have also audited the standalone financial statements of the Company as of and for the years ended December 31, 2024 and 2023 on which we have issued an unqualified opinion.

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in Republic of China will

always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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



financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Lee-Yuan Kuo and Chao-Chun Wang.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

February 26, 2025

### Notice to Readers

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

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

China Ecotek Corporation and Subsidiaries  
Consolidated Balance Sheets  
December 31, 2024 and 2023

In Thousand of NTD

Code	Asset	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents (Notes 4, 6, and 14)	\$ 1,203,566	17	\$ 550,734	8
1110	Financial assets at fair value through profit or loss - current (Notes 4 and 7)	48,193	1	85,081	1
1120	Financial assets at fair value through other comprehensive income - current (Notes 4 and 8)	22,597	-	31,050	-
1139	Financial assets for hedging - current (Notes 4 and 12)	431,145	6	929,260	14
1140	Contract assets - current (Notes 4 and 25)	1,262,978	18	1,274,883	19
1170	Accounts receivable, net (Notes 4 and 9)	194,148	3	54,621	1
1180	Accounts receivable - related parties (Notes 4, 9 and 31)	597,780	8	590,471	8
1200	Other receivables (Note 9)	50,687	1	57,886	1
1220	Current tax assets (Note 27)	917	-	756	-
130X	Inventories (Notes 4 and 10)	26,711	-	13,305	-
1476	Other financial assets - current (Notes 12 and 32)	294,350	4	521,648	8
1479	Other current assets (Note 13)	137,654	2	195,603	3
11XX	Total current assets	4,270,726	60	4,305,298	63
	Noncurrent assets				
1510	Financial assets at fair value through profit or loss - noncurrent (Notes 4 and 7)	25,823	-	31,880	-
1517	Financial assets at fair value through other comprehensive income - noncurrent (Notes 4 and 8)	-	-	124,976	2
1550	Investments accounted for using equity method (Notes 4 and 11)	1,047,328	15	1,064,466	16
1600	Property, plant and equipment (Notes 4 and 15)	742,384	10	595,681	9
1755	Right-of-use assets (Notes 4 and 16)	78,188	1	85,538	1
1760	Investment properties (Notes 4, 17 and 31)	323,521	5	323,521	5
1780	Intangible assets (Note 4)	11,341	-	11,356	-
1840	Deferred tax assets (Note 27)	47,284	1	52,065	1
1915	Advance payments for equipment	1,728	-	705	-
1920	Refundable deposits	8,277	-	7,664	-
1980	Other financial assets - noncurrent (Note 12)	593,146	8	239,267	3
1995	Other noncurrent assets	7,684	-	1,609	-
15XX	Total noncurrent assets	2,886,704	40	2,538,728	37
1XXX	Total assets	\$ 7,157,430	100	\$ 6,844,026	100
	Liabilities and equity				
	Current liabilities				
2100	Short-term borrowings (Notes 4 and 18)	\$ 50,000	1	\$ 100,000	1
2130	Contract liabilities - current (Notes 4, 14 and 25)	1,153,232	16	1,075,722	16
2170	Accounts payable (Note 19)	1,009,478	14	856,543	13
2180	Accounts payable - related parties (Notes 19 and 31)	17,900	-	15,418	-
2200	Other payables (Notes 14 and 20)	654,621	9	604,068	9
2230	Current tax liabilities (Note 27)	75,933	1	85,626	1
2250	Provisions - current (Notes 4 and 21)	12,621	-	8,862	-
2280	Lease liabilities - current (Notes 4, 16 and 31)	38,544	1	34,050	1
2399	Other current liabilities (Note 20)	138,268	2	93,340	1
21XX	Total current liabilities	3,150,597	44	2,873,629	42
	Noncurrent liabilities				
2527	Contract liabilities - noncurrent (Notes 4, 14 and 25)	41,290	1	39,335	1
2570	Deferred tax liabilities (Note 27)	59,701	1	67,214	1
2580	Lease liabilities - noncurrent (Notes 4, 16 and 31)	39,091	1	50,932	1
2640	Net defined benefit liability (Notes 4 and 22)	124,237	1	151,768	2
25XX	Total noncurrent liabilities	264,319	4	309,249	5
2XXX	Total liabilities	3,414,916	48	3,182,878	47
	Equity (Note 24)				
3110	Capital - common stock	1,237,426	17	1,237,426	18
3200	Capital surplus	628,655	9	628,629	9
	Retained earnings				
3310	Legal reserve	780,991	11	725,889	10
3320	Special reserve	29,604	-	-	-
3350	Undistributed earnings	1,141,442	16	1,098,808	16
3300	Total retained earnings	1,952,037	27	1,824,697	26
3400	Other equity	(75,604)	(1)	(29,604)	-
3XXX	Total equity	3,742,514	52	3,661,148	53
	Total liabilities and equity interests	\$ 7,157,430	100	\$ 6,844,026	100

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

Chairman: Ying-Pin Hsieh

Managerial Officer: Yeong-Yuh Chiang

Accounting Officer: Ya-Min Chuang

China Ecotek Corporation and Subsidiaries  
Consolidated Statements of Comprehensive Income  
January 1 to December 31, 2024 and 2023

In Thousand of NTD, Except EPS

Code	2024		2023	
	Amount	%	Amount	%
Operating revenues (Notes 4, 14, 25 and 31)				
4100 Sales revenue	\$ 147,397	1	\$ 136,189	1
4500 Construction revenue	10,403,418	96	9,344,305	96
4600 Technical service revenue	307,992	3	278,832	3
4000 Total operating revenue	10,858,807	100	9,759,326	100
Operating costs (Notes 10, 14, 26 and 31)				
5110 Cost of goods sold	114,149	1	108,226	1
5500 Construction costs	9,456,155	87	8,435,556	86
5600 Technical service costs	281,342	3	242,799	3
5000 Total operating costs	9,851,646	91	8,786,581	90
5900 Gross profit	1,007,161	9	972,745	10
5910 Less: Unrealized gain from sale	3,341	-	5,033	-
5920 Plus: Realized gain from sale	6,826	-	6,406	-
5950 Realized gross profit from operations	1,010,646	9	974,118	10
Operating expenses (Notes 9 and 26)				
6100 Selling expenses	44,543	-	37,466	1
6200 General and administrative expenses	478,807	4	458,509	4
6300 Research and development expenses	8,224	-	12,115	-
6450 Expected credit loss (Expected credit loss reversed)	(1,051)	-	1,072	-
6000 Total operating expenses	530,523	4	509,162	5
6900 Operating profit	480,123	5	464,956	5
Non-operating income and expenses (Notes 11, 26 and 31)				
7100 Interest income	76,220	1	91,265	1
7010 Other income	30,531	-	15,540	-
7020 Other profits and losses	(17,907)	-	(12,692)	-
7050 Financial costs	(2,256)	-	(1,354)	-
7060 Share of the profit of associates	58,555	-	128,145	1

Code		2024		2023	
		Amount	%	Amount	%
7000	Total	<u>145,143</u>	<u>1</u>	<u>220,904</u>	<u>2</u>
7900	Profit before income tax	625,266	6	685,860	7
7950	Income tax expense (Notes 4 and 27)	<u>123,373</u>	<u>1</u>	<u>128,968</u>	<u>1</u>
8200	Net profit for the year	<u>501,893</u>	<u>5</u>	<u>556,892</u>	<u>6</u>
	Other comprehensive income (Notes 22, 24 and 27)				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurements of the net defined benefit	10,505	-	(12,107)	-
8316	Unrealized gains and losses on investments in equity instruments at fair value through other comprehensive income	(64,833)	-	24,192	-
8317	Gains and losses on hedging instruments	12,881	-	(24,390)	-
8320	Share of the other comprehensive income of associates	(5,293)	-	(4,837)	-
8349	Income tax relating to items that will not be reclassified subsequently to profit or loss	17,570	-	2,861	-
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translating foreign operations	20,747	-	(29,340)	(1)
8370	Share of the other comprehensive income of associates	369	-	1,943	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	<u>(4,149)</u>	<u>-</u>	<u>5,868</u>	<u>-</u>
8300	Other comprehensive income for the year, net of income tax	<u>(12,203)</u>	<u>-</u>	<u>(35,810)</u>	<u>(1)</u>
8500	Total comprehensive income in the current year	<u>\$ 489,690</u>	<u>5</u>	<u>\$ 521,082</u>	<u>5</u>
8610	Net profit attributable to owners of the Corporation	<u>\$ 501,893</u>		<u>\$ 556,892</u>	
8710	Total comprehensive income attributable to owners of the Corporation	<u>\$ 489,690</u>		<u>\$ 521,082</u>	
	Earnings per share (Note 28)				
9750	Basic	\$ 4.06		\$ 4.50	
9850	Diluted	4.04		4.48	

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

China Ecotek Corporation and Subsidiaries  
Consolidated Statements of Changes in Equity  
January 1 to December 31, 2024 and 2023

In Thousand of NTD

		Equity attributable to owners of the Company											
								Other equity					
Code		Capital - common stock		Capital surplus	Retained earnings			Exchange differences on translating foreign operations	Unrealized gains and losses on financial assets at fair value through other comprehensive income	Gain and losses on hedging instruments	Total other equity	Total equity	
		Shares (In thousand)	Amount		Legal reserve	Special reserve	Undistributed earnings						Total
A1	Balance at January 1, 2023	123,743	\$ 1,237,426	\$ 628,374	\$ 671,306	\$ 56,639	\$ 916,958	\$ 1,644,903	\$ (54,745)	\$ 38,087	\$ 16,994	\$ 336	\$ 3,511,039
	Appropriation of 2022 earnings (Note 24)												
B1	Legal reserve	-	-	-	54,583	-	(54,583)	-	-	-	-	-	-
B3	Reversal special reserve	-	-	-	-	(56,639)	56,639	-	-	-	-	-	-
B5	Cash dividends to shareholders	-	-	-	-	-	(371,228)	(371,228)	-	-	-	-	(371,228)
		-	-	-	54,583	(56,639)	(369,172)	(371,228)	-	-	-	-	(371,228)
D1	Net profit for the year ended December 31, 2023	-	-	-	-	-	556,892	556,892	-	-	-	-	556,892
D3	Other comprehensive income (loss), net of income tax for the year ended December 31, 2023	-	-	-	-	-	(11,689)	(11,689)	(21,529)	16,599	(19,191)	(24,121)	(35,810)
D5	Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	545,203	545,203	(21,529)	16,599	(19,191)	(24,121)	521,082
Q1	Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	5,819	5,819	-	(5,819)	-	(5,819)	-
T1	Adjustment from changes in equity of associate for using equity method	-	-	255	-	-	-	-	-	-	-	-	255
Z1	Balance at December 31, 2023	123,743	1,237,426	628,629	725,889	-	1,098,808	1,824,697	(76,274)	48,867	(2,197)	(29,604)	3,661,148
	Appropriation of 2023 earnings (Note 24)												
B1	Legal reserve	-	-	-	55,102	-	(55,102)	-	-	-	-	-	-
B3	Reversal special reserve	-	-	-	-	29,604	(29,604)	-	-	-	-	-	-
B5	Cash dividends to shareholders	-	-	-	-	-	(408,350)	(408,350)	-	-	-	-	(408,350)
		-	-	-	55,102	29,604	(493,056)	(408,350)	-	-	-	-	(408,350)
D1	Net profit for the year ended December 31, 2024	-	-	-	-	-	501,893	501,893	-	-	-	-	501,893
D3	Other comprehensive income (loss), net of income tax for the year ended December 31, 2024	-	-	-	-	-	10,083	10,083	16,967	(49,223)	9,970	(22,286)	(12,203)
D5	Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	511,976	511,976	16,967	(49,223)	9,970	(22,286)	489,690
Q1	Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	23,714	23,714	-	(23,714)	-	(23,714)	-
T1	Adjustment from changes in equity of associate for using equity method	-	-	26	-	-	-	-	-	-	-	-	26
Z1	Balance at December 31, 2024	123,743	\$ 1,237,426	\$ 628,655	\$ 780,991	\$ 29,604	\$ 1,141,442	\$ 1,952,037	\$ (59,307)	\$ (24,070)	\$ 7,773	\$ (75,604)	\$ 3,742,514

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

Chairman: Ying-Pin Hsieh

Managerial Officer: Yeong-Yuh Chiang

Accounting Officer: Ya-Min Chuang

China Ecotek Corporation and Subsidiaries  
Consolidated Cash Flow Statements  
January 1 to December 31, 2024 and 2023

In Thousand of NTD

Code		2024	2023
	Cash flow from operating activities		
A10000	Profit before income tax	\$ 625,266	\$ 685,860
A20010	Adjustments for:		
A20100	Depreciation expense	68,830	58,046
A20200	Amortization expense	9,763	6,905
A20300	Expected credit loss (Expected credit loss reversed)	(1,051)	1,072
A20400	Net loss on financial assets and liabilities at fair value through profit or loss	19,656	12,099
A20900	Financial costs	2,256	1,354
A21200	Interest income	(76,220)	(91,265)
A21300	Dividend income	(17,957)	(1,125)
A22300	Share of the profit of associates	(58,555)	(128,145)
A22500	Gain (loss) on disposal of property, plant and equipment	(121)	483
A23800	Gain from price recovery of inventory	-	(120)
A23900	Unrealized sales margin	3,341	5,033
A24000	Realized sales margin	(6,826)	(6,406)
A29900	Recognition of provisions	7,659	5,092
A29900	Others	(269)	168
A30000	Net changes in operating assets and liabilities		
A31120	Hedging financial assets	510,996	30,892
A31125	Contract assets	11,905	(784,290)
A31130	Notes receivable	-	43
A31150	Accounts receivable	(138,490)	190,781
A31160	Accounts receivable – related parties	(7,309)	67,353
A31180	Other receivables	3,643	(3,435)
A31200	Inventories	(13,406)	6,471
A31240	Other current assets	45,198	16,369
A32125	Contract liabilities	79,465	(545,609)
A32150	Accounts payable	152,935	187,239
A32160	Accounts payable - related parties	2,482	1,402
A32180	Other payables	34,273	(630)
A32200	Provisions	(3,904)	(26,223)
A32230	Other current liabilities	29,975	(612)
A32240	Net defined benefit liability	(17,026)	(15,979)
A33000	Cash generated (used) from operations	1,266,509	(327,177)
A33500	Income tax paid	(124,876)	(95,148)
AAAA	Net cash generated (used) from operating activities	1,141,633	(422,325)
	Cash flow from investing activities		
B00010	Acquisition of financial assets at fair value through other comprehensive income	-	(29,052)
B00030	Proceeds from disposal of financial assets at fair value through other comprehensive income	70,652	-
B00100	Acquisition of financial assets at fair value through profit or loss	(32,448)	(14,811)
B00200	Disposal of financial assets at fair value through profit or loss	55,737	12,269
B01800	Acquisition of investments recognized under the equity method	(34,000)	-

Code		2024	2023
B02400	Refunded payments for shares from capital reduction of investee recognized under the equity method	-	4,861
B02700	Acquisition of property, plant and equipment	(166,971)	(192,130)
B02800	Proceeds from disposal of property, plant and equipment	121	201
B03800	Decrease in refundable deposits	12,138	3,880
B04500	Acquisition of intangible assets	(9,745)	(9,709)
B06500	Increase in other financial assets	(126,581)	-
B06600	Decrease in other financial assets	-	230,721
B06700	Increase in other noncurrent assets	-	(1,163)
B06800	Decrease in other noncurrent assets	111	-
B07500	Interest received	79,776	64,883
B07600	Dividend received from associates	108,280	92,820
B07600	Dividend received from associates	17,957	1,125
BBBB	Net cash generated (used) in investing activities	(24,973)	163,895
	Cash flow from financing activities		
C00100	Increase in short-term borrowings	-	100,000
C00200	Decrease in short-term borrowings	(50,000)	-
C03000	Increase in guarantee deposit received	14,953	-
C03100	Decrease in guarantee deposit received	-	(8,863)
C04020	Repayment of principal of lease liabilities	(39,209)	(38,351)
C04500	Cash dividends paid	(408,350)	(371,228)
C05600	Interest paid	(2,207)	(1,331)
CCCC	Net cash used in financing activities	(484,813)	(319,773)
DDDD	Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	20,985	(30,192)
EEEE	Net increase (decrease) in cash and cash equivalents	652,832	(608,395)
E00100	Cash and cash equivalents at the beginning of year	550,734	1,159,129
E00200	Cash and cash equivalents at the end of year	\$ 1,203,566	\$ 550,734

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

Chairman: Ying-Pin Hsieh

Managerial Officer: Yeong-Yuh Chiang

Accounting Officer: Ya-Min Chuang



## Independent Auditors' Report

The Board of Directors and Shareholders  
China Ecotek Corporation

### **Opinion**

We have audited the accompanying standalone financial statements of China Ecotek Corporation (The “Company”), which comprise the standalone balance sheets as of December 31, 2024 and 2023, and the standalone statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the standalone financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying standalone financial statements present fairly, in all material respects, the standalone financial position of the Company as of December 31, 2024 and 2023, and its standalone financial performance and its standalone cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we

do not provide a separate opinion on these matters.

Key audit matters of the Company's standalone financial statements for the year ended December 31, 2024 are stated as follows:

Assessment of the estimated total project cost

The Company has signed many construction contracts, and recognized construction revenues according to the percentage completion method. Construction progress is calculated based on the actual construction costs incurred under each contract as a percentage of the estimated total construction cost of the project. The estimated total project cost involves a major accounting estimate, and affects the recognition of construction progress and revenues. Hence, the assessment of estimated total project cost is listed as a key audit matter. For relevant accounting policies, major accounting estimates, and explanations of determination, please refer to the Standalone Financial Statements Note 4 and Note 5.

Our audit procedures performed included the following:

1. Understand control procedures for the assessment of the estimated total project cost, and conduct sampling inspections of the consistency between preparation process and internal controls.
2. Conduct a sampling inspection of documentation related to the assessment of the estimated total project cost for new projects and additions/reductions in the current year.
3. Conduct a sampling inspection to see if there are any major abnormalities between the actual total cost of projects concluded this year and their estimated total project cost, in order to verify the reasonableness of estimated total project cost. Conduct a sampling inspection of abnormal changes in estimated total cost, in order to determine the reasonableness of calculating the percentage of construction progress based on the estimated total project cost before the balance sheet date.

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

Management is responsible for the preparation and fair presentation of the standalone

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in Republic of China will always detect a material misstatement when it exists. Misstatement 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 standalone 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 maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the standalone financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be

thought to bear on our independence, and where applicable, related safeguards.

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

The engagement partners on the audits resulting in this independent auditors' report are Lee-Yuan Kuo and Chao-Chun Wang.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

February 26, 2025

Notice to Readers

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

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

China Ecotek Corporation  
Standalone Balance Sheets  
December 31, 2024 and 2023

In Thousand of NTD

Code	Asset	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents (Notes 4, 6, and 14)	\$ 1,161,459	17	\$ 426,644	6
1110	Financial assets at fair value through profit or loss - current (Notes 4 and 7)	48,193	1	85,081	1
1120	Financial assets at fair value through other comprehensive income - current (Notes 4 and 8)	22,597	-	31,050	-
1139	Financial assets for hedging - current (Notes 4 and 12)	431,145	6	929,260	14
1140	Contract assets - current (Notes 4 and 25)	1,261,502	18	1,253,420	18
1170	Accounts receivable, net (Notes 4 and 9)	151,077	2	43,837	1
1180	Accounts receivable - related parties (Notes 4, 9 and 31)	588,600	8	581,748	9
1200	Other receivables (Note 9)	7,309	-	11,414	-
130X	Inventories (Notes 4 and 10)	24,642	-	11,704	-
1476	Other financial assets - current (Notes 12 and 32)	350	-	350	-
1479	Other current assets (Note 13)	51,838	1	106,923	2
11XX	Total current assets	3,748,712	53	3,481,431	51
	Noncurrent assets				
1510	Financial assets at fair value through profit or loss - noncurrent (Notes 4 and 7)	25,823	-	31,880	-
1517	Financial assets at fair value through other comprehensive income - noncurrent (Notes 4 and 8)	-	-	124,976	2
1550	Investments accounted for using equity method (Notes 4 and 11)	2,123,390	30	2,084,026	31
1600	Property, plant and equipment (Notes 4 and 15)	739,147	10	591,372	9
1755	Right-of-use assets (Notes 4 and 16)	67,542	1	71,706	1
1760	Investment property (Notes 4, 17 and 31)	323,521	5	323,521	5
1780	Intangible assets (Note 4)	11,247	-	11,138	-
1840	Deferred tax assets (Note 27)	47,284	1	52,065	1
1915	Advance payments for equipment	1,728	-	705	-
1920	Refundable deposits	7,272	-	6,694	-
1995	Other noncurrent assets	7,684	-	1,609	-
15XX	Total noncurrent assets	3,354,638	47	3,299,692	49
1XXX	Total assets	\$ 7,103,350	100	\$ 6,781,123	100
	Liabilities and equity				
	Current liabilities				
2100	Short-term borrowings (Notes 4 and 18)	\$ 50,000	1	\$ 100,000	2
2130	Contract liabilities - current (Notes 4, 14 and 25)	1,147,646	16	1,060,741	16
2170	Accounts payable (Note 19)	999,325	14	847,952	13
2180	Accounts payable - related parties (Notes 19 and 31)	17,900	-	15,418	-
2200	Other payables (Notes 14 and 20)	651,287	9	601,245	9
2230	Current tax liabilities (Note 27)	55,781	1	67,283	1
2250	Provisions - current (Notes 4 and 21)	12,572	-	8,577	-
2280	Lease liabilities - current (Notes 4, 16 and 31)	35,017	1	30,732	-
2399	Other current liabilities (Note 20)	134,722	2	89,851	1
21XX	Total current liabilities	3,104,250	44	2,821,799	42
	Noncurrent liabilities				
2527	Contract liabilities - noncurrent (Notes 4, 14 and 25)	41,290	1	39,335	-
2570	Deferred tax liabilities (Note 27)	59,701	1	67,214	1
2580	Lease liabilities - noncurrent (Notes 4, 16 and 31)	31,358	-	39,859	1
2640	Net defined benefit liability (Notes 4 and 22)	124,237	2	151,768	2
25XX	Total noncurrent liabilities	256,586	4	298,176	4
2XXX	Total liabilities	3,360,836	48	3,119,975	46
	Equity (Note 24)				
3110	Capital - common stock	1,237,426	17	1,237,426	18
3200	Capital surplus	628,655	9	628,629	9
	Retained earnings				
3310	Legal reserve	780,991	11	725,889	11
3320	Special reserve	29,604	-	-	-
3350	Undistributed earnings	1,141,442	16	1,098,808	16
3300	Total retained earnings	1,952,037	27	1,824,697	27
3400	Other equity	(75,604)	(1)	(29,604)	-
3XXX	Total equity	3,742,514	52	3,661,148	54
	Total liabilities and equity interests	\$ 7,103,350	100	\$ 6,781,123	100

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

Chairman: Ying-Pin Hsieh

Managerial Officer: Yeong-Yuh Chiang

Accounting Officer: Ya-Min Chuang

China Ecotek Corporation  
Standalone Statements of Comprehensive Income  
January 1 to December 31, 2024 and 2023

In Thousand of NTD, Except EPS

		2024		2023	
Code		Amount	%	Amount	%
Operating revenues (Notes 4, 14, 25 and 31)					
4100	Sales revenue	\$ 147,397	1	\$ 136,176	1
4500	Construction revenue	10,258,992	96	9,193,833	96
4600	Technical service revenue	307,992	3	278,832	3
4000	Total operating revenue	10,714,381	100	9,608,841	100
Operating costs (Notes 10, 14, 26 and 31)					
5110	Cost of goods sold	114,894	1	108,215	1
5500	Construction costs	9,337,816	87	8,303,285	86
5600	Technical service costs	281,342	3	242,799	3
5000	Total operating costs	9,734,052	91	8,654,299	90
5900	Gross profit	980,329	9	954,542	10
5910	Less: Unrealized gain from sale	3,341	-	5,033	-
5920	Plus: Realized gain from sale	6,826	-	6,406	-
5950	Realized gross profit from operations	983,814	9	955,915	10
Operating expenses (Note 26)					
6100	Selling expenses	44,545	1	37,466	1
6200	General and administrative expenses	445,464	4	427,437	4
6300	Research and development expenses	8,224	-	12,115	-
6000	Total operating expenses	498,233	5	477,018	5
6900	Operating profit	485,581	4	478,897	5
Non-operating income and expenses (Notes 11, 26 and 31)					
7100	Interest income	27,684	-	32,470	-
7010	Other income	29,976	1	15,386	-
7020	Other profits and losses	(17,970)	-	(12,770)	-
7050	Financial costs	(2,048)	-	(1,113)	-
7060	Share of the profit of associates	94,310	1	156,148	2
7000	Total	131,952	2	190,121	2
7900	Profit before income tax	617,533	6	669,018	7
7950	Income tax expense (Notes 4 and 27)	115,640	1	112,126	1
8200	Net profit for the year	501,893	5	556,892	6

Code		2024		2023	
		Amount	%	Amount	%
	Other comprehensive income (Notes 22, 24 and 27)				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurements of the net defined benefit	10,505	-	(12,107)	-
8316	Unrealized gains and losses on investments in equity instruments at fair value through other comprehensive income	(64,833)	(1)	24,192	-
8317	Gains and losses on hedging instruments	12,881	-	(24,390)	-
8320	Share of the other comprehensive income of associates	(5,293)	-	(4,837)	-
8349	Income tax relating to items that will not be reclassified subsequently to profit or loss	17,570	-	2,861	-
8360	Items that may be reclassified subsequently to profit or loss				
8370	Share of the other comprehensive income of associates	21,116	1	(27,397)	(1)
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	(4,149)	-	5,868	-
8300	Other comprehensive income for the year, net of income tax	(12,203)	-	(35,810)	(1)
8500	Total comprehensive income in the current year	<u>\$ 489,690</u>	<u>5</u>	<u>\$ 521,082</u>	<u>5</u>
	Earnings per share (Note 28)				
9750	Basic	\$ 4.06		\$ 4.50	
9850	Diluted	4.04		4.48	

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

Chairman: Ying-Pin Hsieh

Managerial Officer: Yeong-Yuh Chiang

Accounting Officer: Ya-Min Chuang



China Ecotek Corporation  
Standalone Statements of Changes in Equity  
January 1 to December 31, 2024 and 2023

In Thousand of NTD

		Equity attributable to owners of the Company											
								Other equity					
Code		Capital - common stock		Capital surplus	Retained earnings			Exchange differences on translating foreign operations	Unrealized gains and losses on financial assets at fair value through other comprehensive income	Gain and losses on hedging instruments	Total other equity	Total equity	
		Shares (In thousand)	Amount		Legal reserve	Special reserve	Undistributed earnings						Total
A1	Balance at January 1, 2023	123,743	\$ 1,237,426	\$ 628,374	\$ 671,306	\$ 56,639	\$ 916,958	\$ 1,644,903	\$ (54,745)	\$ 38,087	\$ 16,994	\$ 336	\$ 3,511,039
	Appropriation of 2022 earnings (Note 24)												
B1	Legal reserve	-	-	-	54,583	-	(54,583)	-	-	-	-	-	-
B3	Reversal special reserve	-	-	-	-	(56,639)	56,639	-	-	-	-	-	-
B5	Cash dividends to shareholders	-	-	-	-	-	(371,228)	(371,228)	-	-	-	-	(371,228)
		-	-	-	54,583	(56,639)	(369,172)	(371,228)	-	-	-	-	(371,228)
D1	Net profit for the year ended December 31, 2023	-	-	-	-	-	556,892	556,892	-	-	-	-	556,892
D3	Other comprehensive income (loss), net of income tax for the year ended December 31, 2023	-	-	-	-	-	(11,689)	(11,689)	(21,529)	16,599	(19,191)	(24,121)	(35,810)
D5	Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	545,203	545,203	(21,529)	16,599	(19,191)	(24,121)	521,082
Q1	Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	5,819	5,819	-	(5,819)	-	(5,819)	-
T1	Adjustment from changes in equity of associate for using equity method	-	-	255	-	-	-	-	-	-	-	-	255
Z1	Balance at December 31, 2023	123,743	1,237,426	628,629	725,889	-	1,098,808	1,824,697	(76,274)	48,867	(2,197)	(29,604)	3,661,148
	Appropriation of 2023 earnings (Note 24)												
B1	Legal reserve	-	-	-	55,102	-	(55,102)	-	-	-	-	-	-
B3	Reversal special reserve	-	-	-	-	29,604	(29,604)	-	-	-	-	-	-
B5	Cash dividends to shareholders	-	-	-	-	-	(408,350)	(408,350)	-	-	-	-	(408,350)
		-	-	-	55,102	29,604	(493,056)	(408,350)	-	-	-	-	(408,350)
D1	Net profit for the year ended December 31, 2024	-	-	-	-	-	501,893	501,893	-	-	-	-	501,893
D3	Other comprehensive income (loss), net of income tax for the year ended December 31, 2024	-	-	-	-	-	10,083	10,083	16,967	(49,223)	9,970	(22,286)	(12,203)
D5	Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	511,976	511,976	16,967	(49,223)	9,970	(22,286)	489,690
Q1	Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	23,714	23,714	-	(23,714)	-	(23,714)	-
T1	Adjustment from changes in equity of associate for using equity method	-	-	26	-	-	-	-	-	-	-	-	26
Z1	Balance at December 31, 2024	123,743	\$ 1,237,426	\$ 628,655	\$ 780,991	\$ 29,604	\$ 1,141,442	\$ 1,952,037	\$ (59,307)	\$ (24,070)	\$ 7,773	\$ (75,604)	\$ 3,742,514

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

Chairman: Ying-Pin Hsieh

Managerial Officer: Yeong-Yuh Chiang

Accounting Officer: Ya-Min Chuang

China Ecotek Corporation  
Standalone Cash Flow Statements  
January 1 to December 31, 2024 and 2023

In Thousand of NTD

Code		2024	2023
	Cash flow from operating activities		
A10000	Profit before income tax	\$ 617,533	\$ 669,018
A20010	Adjustments for:		
A20100	Depreciation expense	64,274	54,093
A20200	Amortization expense	9,637	6,776
A20400	Net loss on financial assets and liabilities at fair value through profit or loss	19,656	12,099
A20900	Financial costs	2,048	1,113
A21200	Interest income	(27,684)	(32,470)
A21300	Dividend income	(17,957)	(1,125)
A22300	Share of the profit of associates	(94,310)	(156,148)
A22500	Loss (gain) on disposal of property, plant and equipment	(121)	483
A23900	Unrealized sales margin	3,341	5,033
A24000	Realized sales margin	(6,826)	(6,406)
A29900	Recognition of provisions	7,659	5,092
A29900	Others	(270)	108
A30000	Net changes in operating assets and liabilities		
A31120	Hedging financial assets	510,996	30,892
A31125	Contract assets	(8,082)	(802,528)
A31130	Notes receivable	-	43
A31150	Accounts receivable	(107,240)	195,926
A31160	Accounts receivable – related parties	(6,852)	(96,882)
A31180	Other receivables	(369)	(238)
A31200	Inventories	(12,938)	7,630
A31240	Other current assets	42,265	9,527
A32125	Contract liabilities	88,860	(544,204)
A32150	Accounts payable	151,373	246,342
A32160	Accounts payable - related parties	2,482	1,402
A32180	Other payables	33,762	(457)
A32200	Provisions	(3,664)	(26,223)
A32230	Other current liabilities	29,971	(606)
A32240	Net defined benefit liability	(17,026)	(15,979)
A33000	Cash generated (used) from operations	1,280,518	(437,689)
A33500	Income tax paid	(118,509)	(84,017)
AAAA	Net cash generated (used) from operating activities	1,162,009	(521,706)
	Cash flow from investing activities		

Code		2024	2023
B00010	Acquisition of financial assets at fair value through other comprehensive income	-	(29,052)
B00030	Proceeds from disposal of financial assets at fair value through other comprehensive income	70,652	-
B00100	Acquisition of financial assets at fair value through profit or loss	(32,448)	(14,811)
B00200	Disposal of financial assets at fair value through profit or loss	55,737	12,269
B01800	Acquisition of investments recognized under the equity method	(34,000)	-
B02400	Refunded payments for shares from capital reduction of investee recognized under the equity method	-	4,861
B02700	Acquisition of property, plant and equipment	(166,971)	(187,478)
B02800	Proceeds from disposal of property, plant and equipment	121	201
B03800	Decrease in refundable deposits	12,242	4,328
B04500	Acquisition of intangible assets	(9,746)	(9,708)
B06600	Decrease in other financial assets	-	351,203
B06700	Increase in other noncurrent assets	-	(1,164)
B06800	Decrease in other noncurrent assets	111	-
B07500	Interest received	32,158	33,939
B07600	Dividend received from associates	108,280	98,990
B07600	Dividend received from others	17,957	1,125
BBBB	Net cash generated in investing activities	54,093	264,703
Cash flow from financing activities			
C00100	Increase in short-term borrowings	-	100,000
C00200	Decrease in short-term borrowings	(50,000)	-
C03000	Increase in guarantee deposit received	14,900	-
C03100	Decrease in guarantee deposit received	-	(8,756)
C04020	Repayment of principal of lease liabilities	(35,838)	(35,343)
C04500	Cash dividends paid	(408,350)	(371,228)
C05600	Interest paid	(1,999)	(1,090)
CCCC	Net cash used in financing activities	(481,287)	(316,417)
EEEE	Net increase (decrease) in cash and cash equivalents	734,815	(573,420)
E00100	Cash and cash equivalents at the beginning of year	426,644	1,000,064
E00200	Cash and cash equivalents at the end of year	\$ 1,161,459	\$ 426,644

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

Chairman: Ying-Pin Hsieh

Managerial Officer: Yeong-Yuh Chiang

Accounting Officer: Ya-Min Chuang

To facilitate the shareholders' understanding and to download a complete financial report and content thereof

Shareholders are requested to visit the China Ecotek Corporation's website

(website: **<http://www.ecotek.com.tw>** )

and section “Shareholders Service” for inquiries

**Proposal 2** : Adoption of the proposal for distribution of 2024 profits.

Proposed by Board of Directors

Explanatory Note:

For the 2024 earnings distribution, the distribution is planned to be handled according to Article 32-1 of the Articles of Incorporation, and shareholders' cash bonus of NT\$ 371,227,656 is to be distributed, and the cash bonus of NT\$ 3 per share is to be distributed. Please refer to Attachment 2 for details.

Cash bonus and dividends distribution base date is to be authorized to the Chairman for determination. During the issuance of cash bonus, the distribution ratio is calculated to the integer dollar and the decimal value is truncated and for the total of the odd amount less than one dollar, the decimal numbers are adjusted from large to small and the account number from first to last sequentially until it satisfies the total amount of the cash dividend distribution

.

Resolution:

## China Ecotek Corporation 2024 Expected Earning Distribution Table

NT\$

Summary	Amount
2024 beginning undistributed earnings	\$ 605,752,071
2024 Net income	501,892,603
Investment adjusted retained earnings under equity method	9,234,005
Gain on disposal of financial asset at fair value through other comprehensive income	16,158,723
Defined benefit plan re-measurement recognized in retained earnings	8,404,438
Adjusted undistributed earnings	\$ 1,141,441,840
Legal reserve	( 53,568,977 )
Special reserve	( 46,000,384 )
Earnings available for distribution	\$ 1,041,872,479
Distribution item:	
Shareholders cash bonus (NT\$3 per share)	( 371,227,656 )
Undistributed earnings at end of 2024	\$ 670,644,823

Note: Income tax for the undistributed earnings according to Article 66-9 of the Income Tax Act, the earnings of the most recent year shall be distributed in priority.

Chairman : Ying-Pin Hsieh

Managerial Officer : Yung-Yu Chiang

President

Accounting Officer : Ya-Min Chuang

### III. Proposals for Discussion

**Proposal 1:** Discussion on amendments to the Articles of Incorporation.

Proposed by Board of Directors

Explanatory Note:

- I. According to the instructions in the letter No. 10801097310 from the Ministry of Economic Affairs dated August 20, 2019, some business items listed in the Articles of Incorporation of Company are mutually exclusive with the company's main scope of business, do not exist or are not needed for the time being, so it is recommended to delete them first, and the business scope items in Article 2 of the "Articles of Incorporation" are proposed to be amended.
- II. Pursuant to Article 14, Paragraph 6 of the Securities and Exchange Act, we propose to amend Article 32 of our company's Articles of Incorporation to add a provision that no less than 30% of employee remuneration should be allocated to non-executive employees, and to add the number and date of this amendment to Article 36.
- III. The definition of “non-executive employees” mentioned above refers to non-executive employees who are not first echelon supervisors and above and whose basic salary is lower than the salary level defined in the Regulations for Salary Expense Addition/Deduction for Salary Raise of Employees in Small and Medium-sized Enterprises.
- IV. Please see Attachment 3 for the comparison table of draft clauses and the clauses in force.

Resolution:

## China Ecotek Corporation Comparison Table for Amendments to the Articles of Incorporation

Revised clauses	Clauses in force	Description
<b>Article 2</b> The scope of business of the Company is as follows: Item 1~29 To be omitted	<b>Article 2</b> The scope of business of the Company is as follows: Item 1~29 To be omitted	I. According to the instructions in the letter No. 10801097310 from the Ministry of Economic Affairs dated August 20, 2019, some business items listed in the Articles of Incorporation of Company are mutually exclusive with the company's main scope of business, do not exist or are not needed for the time being, so it is recommended to delete them first, and the business scope items in Article 2 of the "Articles of Incorporation" are proposed to be amended , it will be deleted item 30~40 、 42 、 47 、 51 、 73 、 91. II. Amendment item number.
<u>30.</u> E103101 Environmental Protection Construction	<u>30.</u> E101011 <u>Synthesis Construction</u>	
<u>31.</u> E401010 Dredge Engineering	<u>31.</u> E102011 <u>Civil Engineering Construction</u>	
<u>32.</u> E402010 Ballast and Mud Construction on Sea	<u>32.</u> E103011 <u>Steel Construction</u>	
<u>33.</u> E501011 Water Pipe Construction	<u>33.</u> E103021 <u>Keeps off the Earth Strut &amp; Earth Work Construction</u>	
<u>34.</u> E502010 Fuel Pipe Construction	<u>34.</u> E103031 <u>Foundation Engineering Construction</u>	
<u>35.</u> E599010 Pipe Lines Construction	<u>35.</u> E103041 <u>Construction tower hoisting &amp; Pattern Plate Project Construction</u>	
<u>36.</u> E601010 Electric Appliance Construction	<u>36.</u> E103051 <u>Mixes the Concrete Project in Advance Construction</u>	
<u>37.</u> E601020 Electric Appliance Installation	<u>37.</u> E103061 <u>Builds the Drilling Project Construction</u>	
<u>38.</u> E603010 Cables Construction	<u>38.</u> E103071 <u>Underground Utilities Project Construction</u>	
<u>39.</u> E603020 Elevator Construction	<u>39.</u> E103081 <u>Valance curtain wall project Construction</u>	
<u>40.</u> E603040 Fire Fighting Equipments Construction	<u>40.</u> E103091 <u>Garden, Landscape Project Construction</u>	
<u>41.</u> E603050 Cybernation Equipments Construction	<u>41.</u> E103101 <u>Environmental</u>	
<u>42.</u> E603080 Traffic Signals Construction		
<u>43.</u> E603090 Illumination Equipments Construction		
<u>44.</u> E603100 Electric Welding Construction		



<u>45.</u> E603110 Quench Construction	<u>42.</u> E103111 Waterproof <u>Project Construction</u>	
<u>46.</u> E603120 Sand Spurting Construction	<u>43.</u> E401010 Dredge Engineering	
<u>47.</u> E603130 Gas Water Heater Installation	<u>44.</u> E402010 Ballast and Mud Construction on Sea	
<u>48.</u> E604010 Machinery Installation Construction	<u>45.</u> E501011 Water Pipe Construction	
<u>49.</u> E605010 Computing Equipments Installation Construction	<u>46.</u> E502010 Fuel Pipe Construction	
<u>50.</u> E606010 Electricity Equipments Checking and Maintenance	<u>47.</u> E503011 User's <u>Drainage Facility Installation Contractor of Sewer System</u>	
<u>51.</u> E607010 Solar Heat Energy Equipments Installation Construction	<u>48.</u> E599010 Pipe Lines Construction	
<u>52.</u> E701020 Channel KU and C of Satellite TV Equipments and Materials Construction	<u>49.</u> E601010 Electric Appliance Construction	
<u>53.</u> E701030 Restrained Telecom Radio Frequency Equipments and Materials Construction	<u>50.</u> E601020 Electric Appliance Installation	
<u>54.</u> E701040 Basic Telecommunications Equipment Construction	<u>51.</u> E602011 Frozen and <u>Air-conditioning Engineering</u>	
<u>55.</u> E801010 Building Maintenance and Upholstery	<u>52.</u> E603010 Cables Construction	
<u>56.</u> E801020 Doors and Windows Construction	<u>53.</u> E603020 Elevator Construction	
<u>57.</u> E801030 Interior Light Rigid Frame Construction	<u>54.</u> E603040 Fire Fighting Equipments Construction	
<u>58.</u> E801040 Glass Construction	<u>55.</u> E603050 Cybernation Equipments Construction	
<u>59.</u> E801070 Kitchen and Bath Facilities Construction	<u>56.</u> E603080 Traffic Signals Construction	
<u>60.</u> E901010 Painting Construction	<u>57.</u> E603090 Illumination Equipments Construction	
	<u>58.</u> E603100 Electric Welding Construction	
	<u>59.</u> E603110 Quench Construction	
	<u>60.</u> E603120 Sand Spurting Construction	

<u>61.</u> E903010 Eroding and Rusting Construction	<u>61.</u> E603130 Gas Water Heater Installation	
<u>62.</u> EZ02010 Derrick Construction	<u>62.</u> E604010 Machinery Installation Construction	
<u>63.</u> EZ03010 Furnace Installation Construction	<u>63.</u> E605010 Computing Equipments Installation Construction	
<u>64.</u> EZ05010 Apparatus Installation Construction	<u>64.</u> E606010 Electricity Equipments Checking and Maintenance	
<u>65.</u> EZ06010 Traffic Labels Construction	<u>65.</u> E607010 Solar Heat Energy Equipments Installation Construction	
<u>66.</u> EZ07010 Drilling Construction	<u>66.</u> E701020 Channel KU and C of Satellite TV Equipments and Materials Construction	
<u>67.</u> EZ09010 Static Electricity Protecting and Clearing Construction	<u>67.</u> E701030 Restrained Telecom Radio Frequency Equipments and Materials Construction	
<u>68.</u> EZ14010 Sports Ground Equipments Construction	<u>68.</u> E701040 Basic Telecommunications Equipment Construction	
<u>69.</u> EZ15010 Warming and Cooling Maintainance Construction	<u>69.</u> E801010 Building Maintenance and Upholstery	
<u>70.</u> EZ99990 Other Construction	<u>70.</u> E801020 Doors and Windows Construction	
<u>71.</u> F106010 Wholesale of Ironware	<u>71.</u> E801030 Interior Light Rigid Frame Construction	
<u>72.</u> F106040 Wholesale of Water Containers	<u>72.</u> E801040 Glass Construction	
<u>73.</u> F107010 Wholesale of Paints, Varnishes and Lacquers	<u>73.</u> <u>E801060 Interior Decoration Construction and Repairing</u>	
<u>74.</u> F107050 Wholesale of Manure	<u>74.</u> E801070 Kitchen and Bath Facilities Construction	
<u>75.</u> F107080 Wholesale of Environmental Medicines	<u>75.</u> E901010 Painting Construction	
<u>76.</u> F107170 Wholesale of Industrial Catalyst	<u>76.</u> E903010 Eroding and	
<u>77.</u> F107200 Wholesale of Chemistry Raw Materials		
<u>78.</u> F107990 Wholesale of Other Chemical Products		
<u>79.</u> F113010 Wholesale of Machinery		
<u>80.</u> F113020 Wholesale of		

Household Appliances	Rusting Construction	
<u>81.</u> F113030 Wholesale of Precision Instruments	<u>77.</u> EZ02010 Derrick Construction	
<u>82.</u> F113050 Wholesale of Computing and Business Machinery Equipment	<u>78.</u> EZ03010 Furnace Installation Construction	
<u>83.</u> F113060 Wholesale of Metrological Instruments	<u>79.</u> EZ05010 Apparatus Installation Construction	
<u>84.</u> F113070 Wholesale of Telecom Instruments	<u>80.</u> EZ06010 Traffic Labels Construction	
<u>85.</u> F113090 Wholesale of Traffic Signal Equipments and Materials	<u>81.</u> EZ07010 Drilling Construction	
<u>86.</u> F113100 Wholesale of Pollution Controlling Equipments	<u>82.</u> EZ09010 Static Electricity Protecting and Clearing Construction	
<u>87.</u> F113110 Wholesale of Batteries	<u>83.</u> EZ14010 Sports Ground Equipments Construction	
<u>88.</u> F113990 Wholesale of Other Machinery and Equipment	<u>84.</u> EZ15010 Warming and Cooling Maintainance Construction	
<u>89.</u> F118010 Wholesale of Computer Software	<u>85.</u> EZ99990 Other Construction	
<u>90.</u> F120010 Wholesale of Refractory Materials	<u>86.</u> F106010 Wholesale of Ironware	
<u>91.</u> F207010 Retail Sale of Paints, Varnishes and Lacquers	<u>87.</u> F106040 Wholesale of Water Containers	
<u>92.</u> F207020 Retail Sale of Dyeing Mills and Dyestuff	<u>88.</u> F107010 Wholesale of Paints, Varnishes and Lacquers	
<u>93.</u> F207080 Retail Sale of Environmental Medicine	<u>89.</u> F107050 Wholesale of Manure	
<u>94.</u> F207170 Retail Sale of Industrial Catalyst	<u>90.</u> F107080 Wholesale of Environmental Medicines	
<u>95.</u> F207200 Retail sale of Chemistry Raw Material	<u>91.</u> <u>F107090 Wholesale of Industrial Explosives</u>	
<u>96.</u> F207990 Retail Sale of Other Chemical Products	<u>92.</u> F107170 Wholesale of Industrial Catalyst	
<u>97.</u> F213010 Retail Sale of Household Appliance	<u>93.</u> F107200 Wholesale of Chemistry Raw Materials	
<u>98.</u> F213040 Retail Sale of Precision Instruments	<u>94.</u> F107990 Wholesale of Other Chemical Products	
	<u>95.</u> F113010 Wholesale of Machinery	

<u>99.</u> F213050 Retail Sale of Metrological Instruments	<u>96.</u> F113020 Wholesale of Household Appliances	
<u>100.</u> F213060 Retail Sale of Telecom Instruments	<u>97.</u> F113030 Wholesale of Precision Instruments	
<u>101.</u> F213080 Retail Sale of Machinery and Equipment	<u>98.</u> F113050 Wholesale of Computing and Business Machinery Equipment	
<u>102.</u> F213090 Retail Sale of Traffic Signal Equipments and Materials	<u>99.</u> F113060 Wholesale of Metrological Instruments	
<u>103.</u> F213100 Retail Sale of Pollution Controlling Equipments	<u>100.</u> F113070 Wholesale of Telecom Instruments	
<u>104.</u> F213990 Retail Sale of Other Machinery and Equipment	<u>101.</u> F113090 Wholesale of Traffic Signal Equipments and Materials	
<u>105.</u> F214080 Retail Sale of Tramway Cars and Parts	<u>102.</u> F113100 Wholesale of Pollution Controlling Equipments	
<u>106.</u> F217010 Retail Sale of Fire Fighting Equipments	<u>103.</u> F113110 Wholesale of Batteries	
<u>107.</u> F218010 Retail Sale of Computer Software	<u>104.</u> F113990 Wholesale of Other Machinery and Equipment	
<u>108.</u> F219010 Retail Sale of Electronic Materials	<u>105.</u> F118010 Wholesale of Computer Software	
<u>109.</u> F220010 Retail Sale of Refractory Materials	<u>106.</u> F120010 Wholesale of Refractory Materials	
<u>110.</u> F299990 Retail Sale of Other Retail Trade Not Elsewhere Classified	<u>107.</u> F207010 Retail Sale of Paints, Varnishes and Lacquers	
<u>111.</u> F399040 Retail Business Without Shop	<u>108.</u> F207020 Retail Sale of Dyeing Mills and Dyestuff	
<u>112.</u> F401010 International Trade	<u>109.</u> F207080 Retail Sale of Environmental Medicine	
<u>113.</u> H201010 Investment	<u>110.</u> F207170 Retail Sale of Industrial Catalyst	
<u>114.</u> H701050 Public Works Construction and Investment	<u>111.</u> F207200 Retail sale of Chemistry Raw Material	
<u>115.</u> I101061 Engineering Consultancy	<u>112.</u> F207990 Retail Sale of Other Chemical Products	
<u>116.</u> I101070 Agriculture, Forestry, Fishing and Animal Husbandry Consultancy	<u>113.</u> F213010 Retail Sale of Household Appliance	
	<u>114.</u> F213040 Retail Sale of	

<u>117.</u> I101090 Food Consultancy	Precision Instruments	
<u>118.</u> I101110 Textile Industry Consultancy	<u>115.</u> F213050 Retail Sale of Metrological Instruments	
<u>119.</u> I102010 Investment Consultancy	<u>116.</u> F213060 Retail Sale of Telecom Instruments	
<u>120.</u> I103060 Management Consulting Services	<u>117.</u> F213080 Retail Sale of Machinery and Equipment	
<u>121.</u> I199990 Other Consultancy	<u>118.</u> F213090 Retail Sale of Traffic Signal Equipments and Materials	
<u>122.</u> I301010 Software Design Services	<u>119.</u> F213100 Retail Sale of Pollution Controlling Equipments	
<u>123.</u> I301020 Data Processing Services	<u>120.</u> F213990 Retail Sale of Other Machinery and Equipment	
<u>124.</u> I301030 Digital Information Supply Services	<u>121.</u> F214080 Retail Sale of Tramway Cars and Parts	
<u>125.</u> I501010 Product Designing	<u>122.</u> F217010 Retail Sale of Fire Fighting Equipments	
<u>126.</u> I503010 Landscape and Interior Designing	<u>123.</u> F218010 Retail Sale of Computer Software	
<u>127.</u> I599990 Other Designing	<u>124.</u> F219010 Retail Sale of Electronic Materials	
<u>128.</u> IF04010 Harmless Checking Services	<u>125.</u> F220010 Retail Sale of Refractory Materials	
<u>129.</u> IG01010 Biotechnology Services	<u>126.</u> F299990 Retail Sale of Other Retail Trade Not Elsewhere Classified	
<u>130.</u> IG02010 Research Development Service	<u>127.</u> F399040 Retail Business Without Shop	
<u>131.</u> IG03010 Energy Technical Services	<u>128.</u> F401010 International Trade	
<u>132.</u> IZ99990 Other Industry and Commerce Services Not Elsewhere Classified	<u>129.</u> H201010 Investment	
<u>133.</u> J101030 Waste Clearing	<u>130.</u> H701050 Public Works Construction and Investment	
<u>134.</u> J101040 Waste Disposing	<u>131.</u> I101061 Engineering Consultancy	
<u>135.</u> J101050 Sanitary and Pollution Controlling Services	<u>132.</u> I101070 Agriculture, Forestry, Fishing and Animal Husbandry	
<u>136.</u> J101060 Wastewater		

(Sewage) Treatment	Consultancy	
<u>137.</u> J101070 Radwaste	<u>133.</u> I101090 Food	
Disposing Service	Consultancy	
<u>138.</u> J101080 Waste	<u>134.</u> I101110 Textile	
Recycling	Industry Consultancy	
<u>139.</u> J101090 Waste	<u>135.</u> I102010 Investment	
Collecting and Disposing	Consultancy	
<u>140.</u> J101990 Other	<u>136.</u> I103060 Management	
Environmental Protection	Consulting Services	
Construction	<u>137.</u> I199990 Other	
<u>141.</u> JB01010 Exhibition	Consultancy	
Services	<u>138.</u> I301010 Software	
<u>142.</u> JE01010 Rental and	Design Services	
Leasing Business	<u>139.</u> I301020 Data	
<u>143.</u> ZZ99999 All business	Processing Services	
items that are not	<u>140.</u> I301030 Digital	
prohibited or restricted by	Information Supply	
law, except those that are	Services	
subject to special approval.	<u>141.</u> I501010 Product	
	Designing	
	<u>142.</u> I503010 Landscape and	
	Interior Designing	
	<u>143.</u> I599990 Other	
	Designing	
	<u>144.</u> IF04010 Harmless	
	Checking Services	
	<u>145.</u> IG01010 Biotechnology	
	Services	
	<u>146.</u> IG02010 Research	
	Development Service	
	<u>147.</u> IG03010 Energy	
	Technical Services	
	<u>148.</u> IZ99990 Other Industry	
	and Commerce Services	
	Not Elsewhere Classified	
	<u>149.</u> J101030 Waste	
	Clearing	
	<u>150.</u> J101040 Waste	
	Disposing	
	<u>151.</u> J101050 Sanitary and	
	Pollution Controlling	
	Services	

	<p><u>152.</u> J101060 Wastewater (Sewage) Treatment</p> <p><u>153.</u> J101070 Radwaste Disposing Service</p> <p><u>154.</u> J101080 Waste Recycling</p> <p><u>155.</u> J101090 Waste Collecting and Disposing</p> <p><u>156.</u> J101990 Other Environmental Protection Construction</p> <p><u>157.</u> JB01010 Exhibition Services</p> <p><u>158.</u> JE01010 Rental and Leasing Business</p> <p><u>159.</u> ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.</p>	
<p><b>Article 32</b> Where the Company has a profit for a fiscal year, no less than <u>one in a thousand</u> percent of such profit shall be appropriated as employee bonuses and no higher than <u>one in a hundred</u> percent of such profit shall be appropriated as directors' remuneration through resolutions of the board of directors' meeting. The recipients of employee bonuses include employees of affiliates meeting certain criteria, <u>And no less than 30% of the employee remuneration should be allocated to grassroots employees.</u> A sum shall be set aside in advance to pay down any outstanding cumulative losses before employee bonuses</p>	<p><b>Article 32</b> Where the Company has a profit for a fiscal year, no less than <u>0.1</u> percent of such profit shall be appropriated as employee bonuses and no higher than <u>1%</u> of such profit shall be appropriated as directors' remuneration through resolutions of the board of directors' meeting. The recipients of employee bonuses include employees of affiliates meeting certain criteria. A sum shall be set aside in advance to pay down any outstanding cumulative losses before employee bonuses and directors' remuneration can be allocated according to the above percentage. The distribution of employee</p>	<p>I. In line with the legal system, the wording of 0.1% and 1% will be changed to words.</p> <p>II. Pursuant to Article 14, Paragraph 6 of the Securities and Exchange Act, we propose to amend Article 32 of our company's Articles of Incorporation to add a provision that no less than 30% of employee remuneration should be allocated to non-executive employees.</p>

and directors' remuneration can be allocated according to the above percentage. The distribution of employee bonuses and directors' remunerations shall be submitted to the Board of Directors for resolution and shall be reported to the shareholders' meeting.	bonuses and directors' remunerations shall be submitted to the Board of Directors for resolution and shall be reported to the shareholders' meeting.	
<b>Article 36</b> These Articles of Incorporation were established on March 2, 1993. First amendment was made according to the resolution of the extraordinary shareholders' meeting on May 25, 1993..... 18th amendment was made according to the resolution of the shareholders' meeting on June 23, 2022. <u>19th amendment was made according to the resolution of the shareholders' meeting on June 26, 2025.</u>	<b>Article 36</b> These Articles of Incorporation were established on March 2, 1993. First amendment was made according to the resolution of the extraordinary shareholders' meeting on May 25, 1993..... 18th amendment was made according to the resolution of the shareholders' meeting on June 23, 2022.	Added the number and date of the current amendment.



**Proposal 2:** Discussion on amendments to Article 7 of the Procedures for Acquisition or Disposal of Assets.

Proposed by Board of Directors

Explanatory Note:

- I. In order to meet the company's operational development needs and current practical operation conditions, it is proposed to amend Article 7 of the Procedures for Acquisition or Disposal of Assets.
- II. Please see Attachment 4 for the comparison table of draft clauses and the clauses in force.

Resolution:

## China Ecotek Corporation

### Comparison Table for Amendments to the Procedures for Acquisition or Disposal of Assets

Revised clauses	Clauses in force	Description
<p><b>Article 7:</b> Limits of acquisition of non-operating real properties and right-of-use assets thereof and securities</p> <p>Limits of real properties and right-of-use assets thereof or securities acquired individually by the Company and each subsidiary are as follows:</p> <p>(I) For non-operating real properties and right-of-use assets thereof, the total amount shall not exceed 15 percent of the net worth indicated in the most recent period of individual financial statements of the Company and each subsidiary.</p> <p>(II) The total amount of investment in securities of the paid-in capital indicated in the most recent period of individual financial statements of the Company and each subsidiary; however, the tools of domestic/foreign bond funds, domestic/foreign currency funds, negotiable certificates of deposits, short-term commercial papers and bank acceptances,</p>	<p><b>Article 7:</b> Limits of acquisition of non-operating real properties and right-of-use assets thereof and securities</p> <p>Limits of real properties and right-of-use assets thereof or securities acquired individually by the Company and each subsidiary are as follows:</p> <p>(I) For non-operating real properties and right-of-use assets thereof, the total amount shall not exceed 15 percent of the net worth indicated in the most recent period of individual financial statements of the Company and each subsidiary.</p> <p>(II) The total amount of investment in securities <u>shall not exceed 80 percent</u> of the paid-in capital indicated in the most recent period of individual financial statements of the Company and each subsidiary; however, the tools of domestic/foreign bond funds, domestic/foreign currency funds, negotiable certificates of deposits, short-term commercial</p>	<p>In order to meet the company's operational development needs and current practical operating conditions, it is proposed to revise the amount limit of investment in securities.</p>

<p>etc. acquired for the purpose of capital management shall be excluded from such restriction.</p> <p>(III) The amount of investment in an individual securities shall not exceed <u>40</u> percent of the paid-in capital indicated in the most recent individual financial statements of the Company and each subsidiary.</p> <p>The securities described in the preceding securities does not include the invested enterprises for the purposes of profit-seeking, acquisition or merger.</p>	<p>papers and bank acceptances, etc. acquired for the purpose of capital management shall be excluded from such restriction.</p> <p>(III) The amount of investment in an individual securities shall not exceed <u>25</u> percent of the paid-in capital indicated in the most recent individual financial statements of the Company and each subsidiary.</p> <p>The securities described in the preceding securities does not include the invested enterprises for the purposes of profit-seeking, acquisition or merger.</p>	
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**Proposal 3:** Proposal to lift the non-compete clause for the Company's Director, Mr. Hwang, Chien-Chih.

Proposed by Board of Directors

Explanatory Note:

- I. This proposal is processed in accordance with Article 209, Paragraph 1 of the Company Act: “A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the shareholders' meeting the essential contents of such an act and secure its approval”.
- II. The shareholders' meeting is requested to agree to the release of the prohibition on competitive activities for Director Hwang, Chien-Chih, who may have investments in or serve as directors or managerial officers in other companies with identical or similar business operations as the Company. Information on other concurrent positions in other companies occupied by the Director is provided in the table below:

Name of Director	Name of Company of Concurrent Service	Concurrent Position
Hwang, Chien-Chih	China Steel Co.	Chairman
	China Steel Chemical Co.	Chairman
	China Steel Global Trading Co.	Director
	Dragon Steel Co.	Director
	Taiwan High Speed Rail Co.	Director
	Gains Investment Co.	Director

Resolution:

**Proposal 4:** Proposal to lift the non-compete clause for the Company's Director, Mr. Chen, Shou-Tao.  
Proposed by Board of Directors

Explanatory Note:

- I. This proposal is processed in accordance with Article 209, Paragraph 1 of the Company Act: “A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the shareholders' meeting the essential contents of such an act and secure its approval”.
- II. The shareholders' meeting is requested to agree to the release of the prohibition on competitive activities for Director Chen, Shou-Tao, who may have investments in or serve as directors or managerial officers in other companies with identical or similar business operations as the Company. Information on other concurrent positions in other companies occupied by the Director is provided in the table below:

Name of Director	Name of Company of Concurrent Service	Concurrent Position
Chen, Shou-Tao	China Steel Co.	President
	China Steel Machinery Co.	Chairman
	Dragon Steel Co.	Director
	Chung Hung Steel Co.	Director
	Gains Investment Co.	Director
	Gau Ruei Investment Co.	Director

Resolution:

## IV. Extraordinary Motions

# **Three. Regulations and Rules**

## **Regulations and Rules 1**

### **China Ecotek Corporation Rules of Procedures for Shareholders Meetings**

#### **Article 1**

The rules of procedures for shareholders meeting of the Company, except as otherwise provided by law, regulation or the articles of incorporation, shall be as provided in these Rules.

#### **Article 2**

Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.

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 and upload them to the Market Observation Post System (MOPS) before 30 days before the date of an Annual Meeting of Shareholders 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 Annual Meeting of Shareholders or before 15 days before the date of the special shareholders meeting.

In addition, 15 days prior to 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 as well as being distributed on-site at the meeting place.

The notice and announcement shall describe the reason of convention. Where the consent of the counterparty of the notice is obtained, an electronic method may be adopted.

Matters to be listed in the convening cause include election or dismissal of directors, changes in the Articles of Association, reduction of capital, application for cessation of public offering, directors' permission to compete for business, conversion of surplus to capital increase, and conversion of public reserve to capital increase, company dissolution, mergers, or segmentation, or matters related to the issuer's handling and collection of securities under Article 185, paragraph 1 of the

Company Act, Article 26-1 of the Securities Exchange Act ,Article 43-6 of the Securities and Exchange Act, and Issues 56-1 and 60-2 of the Issuer's Guidelines for Dealing with and Offering Securities. Its main content should be listed and explained in the reason for convening . There shall be not by 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, such inauguration date shall not be altered by any extraordinary motion or otherwise in the said meeting after the completion of the re-election in the same meeting.

A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company a written proposal for discussion at a Annual Meeting of Shareholders. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any Sub-paragraph of Paragraph 4 of Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. Shareholders may put forward proposals to urge the company to promote public interests or fulfill its social responsibilities. The procedure shall be limited to one item in accordance with the relevant provisions of Article 172-1 of the Company Law. Any proposal with more than one item shall not be included in the proposal.

The company shall announce the acceptance of the shareholders proposals, written or electronic acceptance method, acceptance premises and acceptance period before the shareholders 'closing date before the shareholders' general meeting is held. The period of acceptance shall not be less than ten days.

The number of words of a proposal to be submitted by a shareholder shall be limited to not more than three hundred (300) words, and any proposal containing more than 300 words shall not be included in the agenda of the shareholders' meeting. The shareholder who has submitted a proposal shall attend, in person or by a proxy, the regular shareholders' meeting whereat his proposal is to be discussed and shall take part in the discussion of such proposal.

The company shall, before the notice date of the shareholders' meeting, notify the proposal shareholders of the processing result, and list the motions stipulated in this article in the meeting notice. For shareholder proposals not included in the proposal, the board of directors shall explain the reasons for the non-listing at the shareholders' meeting.

### Article 3

For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before 5 days before the date of the shareholders meeting. When duplicate proxy



forms are delivered, the one received earliest shall prevail; unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before 2 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 venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

#### Article 5

The Company shall specify in its shareholders' meeting notices the time during which shareholder attendance registrations 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.

Shareholders and their proxies (collectively, "shareholders") shall attend shareholders' meetings based on attendance cards, sign-in cards or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

#### Article 6

If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or for any reason is unable to exercise the powers of the chairperson, one of the directors shall be appointed to act as chair. Where the Chairman does not make such a designation,

the directors shall select from among themselves one person to serve as chair. When a director serves as chair, as referred to in the preceding paragraph, the 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 of directors be chaired by the Chairman in person and attended by a majority of the directors in person, 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 its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

#### Article 7

The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

#### Article 8

Attendance at shareholders' meetings shall be calculated based on the number of shares. The number of shares in attendance shall be calculated according to the sign-in cards handed in, and if written or electronic method is adopted for the exercise of voting rights, then it shall be counted plus the number of shares whose voting rights are exercised by correspondence or electronically. During the meeting, if the total number of voting rights of shareholders present increases, it should be updated immediately.

The chairman shall call the meeting to order at the appointed meeting time. At the same time, relevant information such as the number of non-voting rights and the number of shares attended will be announced. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairman may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 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 chairman shall declare the meeting adjourned.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1 of Article 175 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month. However, for special resolutions specified in the Company Act or other laws or articles of incorporation, such restrictions shall not be applied.

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

#### Article 9

If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Relevant motions (including provisional motions and amendments to original motions) shall be voted on a case-by-case basis. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

After the end of a meeting and after the chair declares the meeting adjourned, shareholders shall not further elect a chair to continue the meeting at the original site or at another place.

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 and call for a vote.

The chairman should be in a position of impartiality and detachment, strictly implement the rules of procedure, and make the meeting proceed smoothly.

The shareholders present are obliged to abide by the rules of procedure, speak politely and maintain order in the conference room.

## Article 10

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number and shareholders' name or account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chairperson shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

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

## Article 11

5. Voting at a shareholders' meeting shall be calculated based the number of shares. With respect to resolutions of shareholders' meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If exceeded, the voting rights exceeded will not be counted, but it shall still be included in the total number of shares present.

## Article 12

Each company's 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 Subparagraph 3 of Article 157 Item 1 and Paragraph 2 of 179 of the Company Act.

When the company holds a shareholders' meeting, it shall use electronic means and may exercise its voting rights in writing. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail; except when a declaration is made to cancel the earlier declaration of intent.

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, 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, before 2 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.

Except as otherwise provided in the Company Act and in the Company's Articles of Association, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. When voting, the chairman or his designated person shall announce the total number of voting rights to attend shareholders on a case-by-case basis. Shareholders vote on a case-by-case basis, and after the shareholders meeting the day, entry shall be made of the results of shareholders' consent, opposition and abstaining into the Market Observation Post System.

When there are amendments or alternatives to the same motion, the chairman and the original motion determine the order of voting; If one of the motion has been passed, other motions are regarded as vetoes and shall not be voted on again.

Before voting, a number of examiners and counting staff shall be appointed by the chairman to perform various related duties. The examiner shall have shareholder status.

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..

#### Article 13

When the shareholders have elected directors, they should be handled in accordance with the company's director election method and announce the election results on the spot. It should include the list of elected directors and their number of votes and the list of unsuccessful directors and the number of voting rights they have obtained.

Votes for the election matters in the preceding paragraph shall be sealed and signed by the examiners, stored properly and kept for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation..

#### Article 14

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the Market Observation Post System (MOPS).

Proceedings shall be recorded according to year, month, day, venue, name of the chairman, resolution method, method of proceeding and voting results (including number of voting rights). In the event of an election of directors, the proceedings shall disclose the number of voting rights won by each candidate . During the existence of the company, it should be kept permanently and fully disclosed on the company's website.

#### 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 and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

#### Article 16

Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband.

At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chairperson's correction, obstructing the proceedings and refusing to heed calls to stop, the chairperson may direct the proctors or security personnel to escort the shareholder from the meeting.

#### Article 17

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

#### Article 18

These Rules shall be implemented upon approval by a Shareholders' Meeting; the same shall apply when amendments are made hereto.

## Regulations and Rules 2

# China Ecotek Corporation Articles of Incorporation (before amendment)

### *Chapter 1 General Rules*

**Article 1** The Company shall be incorporated under the Company Act and its English name shall be “China Ecotek Corporation”.

**Article 2** The scope of business of the Company is as follows:

1. C802120 Industrial Catalyst Manufacturing
2. C802990 Other chemical products manufacturing industry
3. C901060 Refractory Materials Manufacturing
4. CA01020 Iron and Steel Rolls over Extends and Crowding
5. CA01030 Iron and Steel Casting
6. CA01050 Iron and Steel Rolling, Drawing, and Extruding
7. CA01120 Copper Casting
8. CA01990 Other Non-ferrous Metal Basic Industries
9. CA02010 Metal Architectural Components Manufacturing
10. CA02050 Metal Valves Manufacturing
11. CA02060 Metal Containers Manufacturing
12. CA02090 Metal line Products Manufacturing
13. CA02990 Other Fabricated Metal Products Manufacturing Not Elsewhere Classified
14. CA03010 Metal Heat Treating
15. CA04010 Metal Surface Treating
16. CB01010 Machinery and Equipment Manufacturing
17. CB01030 Pollution Controlling Equipment Manufacturing
18. CC01040 Lighting Facilities Manufacturing
19. CB01990 Other Machinery Manufacturing Not Elsewhere Classified
20. CC01010 Electric Power Supply, Electric Transmission and Power Distribution Machinery Manufacturing
21. CC01990 Electrical Machinery, Supplies Manufacturing
22. CD01010 Ship and Parts Manufacturing
23. CD01020 Tramway Cars Manufacturing
24. CD01030 Automobiles and Parts Manufacturing
25. CE01010 Precision Instruments Manufacturing
26. D101050 Steam and Electricity Paragenesis
27. D101060 Self-usage power generation equipment utilizing renewable energy industry
28. D301010 Water Supply



29. D601011 Reclaimed Water Operators
30. E101011 Synthesis Construction
31. E102011 Civil Engineering Construction
32. E103011 Steel Construction
33. E103021 Keeps off the Earth Strut & Earth Work Construction
34. E103031 Foundation Engineering Construction
35. E103041 Construction tower hoisting & Pattern Plate Project Construction
36. E103051 Mixes the Concrete Project in Advance Construction
37. E103061 Builds the Drilling Project Construction
38. E103071 Underground Utilities Project Construction
39. E103081 Valance curtain wall project Construction
40. E103091 Garden, Landscape Project Construction
41. E103101 Environmental Protection Construction
42. E103111 Waterproof Project Construction
43. E401010 Dredge Engineering
44. E402010 Ballast and Mud Construction on Sea
45. E501011 Water Pipe Construction
46. E502010 Fuel Pipe Construction
47. E503011 User's Drainage Facility Installation Contractor of Sewer System
48. E599010 Pipe Lines Construction
49. E601010 Electric Appliance Construction
50. E601020 Electric Appliance Installation
51. E602011 Frozen and Air-conditioning Engineering
52. E603010 Cables Construction
53. E603020 Elevator Construction
54. E603040 Fire Fighting Equipments Construction
55. E603050 Cybernation Equipments Construction
56. E603080 Traffic Signals Construction
57. E603090 Illumination Equipments Construction
58. E603100 Electric Welding Construction
59. E603110 Quench Construction
60. E603120 Sand Spurting Construction
61. E603130 Gas Water Heater Installation
62. E604010 Machinery Installation Construction
63. E605010 Computing Equipments Installation Construction
64. E606010 Electricity Equipments Checking and Maintenance
65. E607010 Solar Heat Energy Equipments Installation Construction
66. E701020 Channel KU and C of Satellite TV Equipments and Materials  
Construction
67. E701030 Restrained Telecom Radio Frequency Equipments and Materials  
Construction
68. E701040 Basic Telecommunications Equipment Construction

69. E801010 Building Maintenance and Upholstery
70. E801020 Doors and Windows Construction
71. E801030 Interior Light Rigid Frame Construction
72. E801040 Glass Construction
73. E801060 Interior Decoration Construction and Repairing
74. E801070 Kitchen and Bath Facilities Construction
75. E901010 Painting Construction
76. E903010 Eroding and Rusting Construction
77. EZ02010 Derrick Construction
78. EZ03010 Furnace Installation Construction
79. EZ05010 Apparatus Installation Construction
80. EZ06010 Traffic Labels Construction
81. EZ07010 Drilling Construction
82. EZ09010 Static Electricity Protecting and Clearing Construction
83. EZ14010 Sports Ground Equipments Construction
84. EZ15010 Warming and Cooling Maintainance Construction
85. EZ99990 Other Construction
86. F106010 Wholesale of Ironware
87. F106040 Wholesale of Water Containers
88. F107010 Wholesale of Paints, Varnishes and Lacquers
89. F107050 Wholesale of Manure
90. F107080 Wholesale of Environmental Medicines
91. F107090 Wholesale of Industrial Explosives
92. F107170 Wholesale of Industrial Catalyst
93. F107200 Wholesale of Chemistry Raw Materials
94. F107990 Wholesale of Other Chemical Products
95. F113010 Wholesale of Machinery
96. F113020 Wholesale of Household Appliances
97. F113030 Wholesale of Precision Instruments
98. F113050 Wholesale of Computing and Business Machinery Equipment
99. F113060 Wholesale of Metrological Instruments
100. F113070 Wholesale of Telecom Instruments
101. F113090 Wholesale of Traffic Signal Equipments and Materials
102. F113100 Wholesale of Pollution Controlling Equipments
103. F113110 Wholesale of Batteries
104. F113990 Wholesale of Other Machinery and Equipment
105. F118010 Wholesale of Computer Software
106. F120010 Wholesale of Refractory Materials
107. F207010 Retail Sale of Paints, Varnishes and Lacquers
108. F207020 Retail Sale of Dyeing Mills and Dyestuff
109. F207080 Retail Sale of Environmental Medicine
110. F207170 Retail Sale of Industrial Catalyst

111. F207200	Retail sale of Chemistry Raw Material
112. F207990	Retail Sale of Other Chemical Products
113. F213010	Retail Sale of Household Appliance
114. F213040	Retail Sale of Precision Instruments
115. F213050	Retail Sale of Metrological Instruments
116. F213060	Retail Sale of Telecom Instruments
117. F213080	Retail Sale of Machinery and Equipment
118. F213090	Retail Sale of Traffic Signal Equipments and Materials
119. F213100	Retail Sale of Pollution Controlling Equipments
120. F213990	Retail Sale of Other Machinery and Equipment
121. F214080	Retail Sale of Tramway Cars and Parts
122. F217010	Retail Sale of Fire Fighting Equipments
123. F218010	Retail Sale of Computer Software
124. F219010	Retail Sale of Electronic Materials
125. F220010	Retail Sale of Refractory Materials
126. F299990	Retail Sale of Other Retail Trade Not Elsewhere Classified
127. F399040	Retail Business Without Shop
128. F401010	International Trade
129. H201010	Investment
130. H701050	Public Works Construction and Investment
131. I101061	Engineering Consultancy
132. I101070	Agriculture, Forestry, Fishing and Animal Husbandry Consultancy
133. I101090	Food Consultancy
134. I101110	Textile Industry Consultancy
135. I102010	Investment Consultancy
136. I103060	Management Consulting Services
137. I199990	Other Consultancy
138. I301010	Software Design Services
139. I301020	Data Processing Services
140. I301030	Digital Information Supply Services
141. I501010	Product Designing
142. I503010	Landscape and Interior Designing
143. I599990	Other Designing
144. IF04010	Harmless Checking Services
145. IG01010	Biotechnology Services
146. IG02010	Research Development Service
147. IG03010	Energy Technical Services
148. IZ99990	Other Industry and Commerce Services Not Elsewhere Classified
149. J101030	Waste Clearing
150. J101040	Waste Disposing
151. J101050	Sanitary and Pollution Controlling Services

- 152. J101060 Wastewater (Sewage) Treatment
- 153. J101070 Radwaste Disposing Service
- 154. J101080 Waste Recycling
- 155. J101090 Waste Collecting and Disposing
- 156. J101990 Other Environmental Protection Construction
- 157. JB01010 Exhibition Services
- 158. JE01010 Rental and Leasing Business
- 159. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

**Article 2-1** In the event of business needs, the Company may proceed with endorsement and guarantee matters according to the Regulations for Making Endorsements and Guarantees to the External of the Company.

**Article 3** To achieve the objective of business diversification, the Company may re-invest in other companies, and the total investment amount of re-investment made is not limited to 40 percent of the paid-in share capital of the Company described in the Company Act.

**Article 4** The Company shall have its head office in Kaohsiung City, R.O.C., and when it is determined to be necessary, branch offices may be established domestically or overseas.

**Article 5** The public announcement method of the Company, Unless otherwise stipulated by the competent authority of securities, the Company's announcements will be made on newspapers, e-newspapers, or websites established or designated by the central competent authority.

## ***Chapter 2 Shares***

**Article 6** The total capital of the Company shall be in the amount of NT\$ 2,200,000,000, divided into 220,000,000 shares, at NTD 10 per share, which may be issued at discrete times.

**Article 7** Unless the Company does not print physical securities, the printed share certificates shall be numbered and specify matters required by law, affixed with the signature or seal of the director representing the Company, and shall be legally certified by the bank serving as the registrar before issuance.  
The Company is exempted from printing physical securities, but must register its shares and comply with regulations of Centralized Securities Depository Enterprises.

**Article 8** The printing of the share certificates of the Company is exempted and all of the shares shall be registered shares. The shares shall be indicated with the name of each shareholder. For a government or corporate shareholder, the government or corporate shareholder and the name of its representative as well as the address thereof shall be recorded clearly in the shareholders' roster.

**Article 9** The stock affairs of the Company shall be handled according to the Company Act and regulations of the competent authority.

**Article 10** Any transfer registration of shares shall be prohibited within 60 days prior to an Annual Meeting of Shareholders, 30 days prior to an extraAnnual Meeting of Shareholders, or 5 days prior to the target date for the distribution of dividends and bonuses or other interests by the Company.

### ***Chapter 3 Shareholders' Meeting***

**Article 11** Unless otherwise specified by law or Articles of Incorporation, shareholders' meetings are convened by the board of directors.

The Company's shareholders' meetings is divided into the following two types:

- I. The annual general meeting shall be convened by the board of directors according to the law within six months after the end of each fiscal year.
- II. Extraordinary shareholders' meetings shall be convened whenever necessary according to the law.

**Article 12** The convention procedures for Annual Meeting of Shareholders shall be handled according to the regulations of the Company Act, Securities and Exchange Act and relevant laws.

**Article 13** Any resolution at a shareholders' meeting, unless otherwise specified in the Company Act, shall be adopted by a majority of the shareholders presented, who represent more than half of the total number of the company's outstanding shares and shall be executed based on the majority of the voting rights of the attending shareholders.

**Article 14** A shareholder shall be entitled to one vote for each share held, except where the voting rights are restricted or shareholders are deemed to have no voting rights under Paragraph 2 of Article 179 of the Company Act.

**Article 15** Where a shareholder for any reasons cannot attend the shareholders' meeting in person, he or she may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney printed by the Company, stamped with a seal of the Company preserved on record, stating therein the scope

of power authorized to the proxy. With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares, and the part of the voting rights exceeding such percentage shall not be counted.

**Article 16** Shareholders' meetings that are convened by the Board of Directors shall be chaired by the chairman. In case where the chairman is on leave or cannot exercise his/her power and authority for any reason, the chairman may appoint a director to act as a proxy thereof; where the chairman fails to appoint a proxy, the directors shall elect one person from among the directors to act as the proxy.

**Article 17** Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chair of the meeting. The meeting minutes along with the attendance list bearing the signatures of the attending shareholders and the powers of attorney of the proxies for attending the meeting shall be archived by the board of directors for preservation at the Company. In addition, the meeting minutes shall be distributed to all shareholders within twenty days after the close of the meeting. The preparation and distribution of the meeting minutes may be effected by means of electronic transmission.

#### ***Chapter 4 Directors, Audit Committee, and Managerial Officers***

**Article 18** The Company has nine to fifteen directors and adopts the candidate nomination system with the term of office of three years. Supervisors with capability shall be elected by the shareholders' meeting according to the regulations of the Company Act, and re-election shall be applicable.

In the roster of directors described in the preceding paragraph, the number of independent directors among the number of directors of each term shall not be less than three and shall not be less than one fifth of the total number of directors. The professional qualifications, restrictions on both shareholding and concurrent positions held, determination of independence, method of nomination and other requirements shall comply with relevant regulations of the Securities and Exchange Act. Elections for independent directors and non-independent directors shall be held concurrently, and the lists of successful candidates shall be calculated separately.

**Article 18-1** The Company established an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee shall be responsible for performing the duties of supervisors set forth in the Company Act, Securities and Exchange Act, and other laws and regulations. The Audit Committee

shall be composed of all independent directors. The committee members shall not be fewer than three persons in number, one of the committee members shall be the committee convener, and at least one of the committee members shall have accounting or financial expertise.

Resolutions of the Audit Committee meetings shall be adopted with the approval of half or more of all members; the convener of the Audit Committee represents the Audit Committee externally.

The exercise of authorities, organization charter and other matters requiring compliance of the Audit Committee shall be handled according to the Securities and Exchange Act and other relevant laws or the Company's rules and regulations.

**Article 19** The powers of the board of directors are as follows:

- I. Approval of annual business guidelines and budget.
- II. Approval of the appointment and dismissal of the president, vice presidents, financial and accounting managers, chief internal auditor, and consultants.
- III. Approval of annual business reports and financial statements.
- IV. Approval of pledge, sale/purchase or other disposal methods related to major assets of the Company.
- V. Approval of investment plans.
- VI. Approval of capital expenditures above NT\$40 million.
- VII. Approval of specialized technology, purchase or transfer of patent rights, and technical cooperation contracts above NT\$40 million.
- VIII. Approval of the establishment and dissolution of branch institutions.
- IX. Formulation of proposals to amend the Articles of Incorporation, change of capital, and Company's dissolution or merger.
- X. Formulation of proposals for earnings distribution or to offset losses.
- XI. Approval of the appointment, dismissal, and remuneration of accountants.
- XII. Approval of the Company's internal organizations and their authority and responsibilities.
- XIII. Review and approval of the establishment or amendment of procedures, internal control system, and other important regulations for the acquisition or disposal of assets, derivatives trading, lending to others, and providing endorsements or guarantees for others.
- XIV. Approval of the offering, issuance, or private placement of securities with equity characteristics and domestic and overseas corporate bonds.
- XV. Approval of other matters with powers provided by laws and regulations.

**Article 20** Unless otherwise stipulated in the Company Act and other laws and regulations, the resolutions in a Board meeting shall be adopted by a majority vote of the directors present, who represent more than half of the total number of directors.

**Article 21** Board of directors' meeting shall be attended by more than two third of the directors along with the consents of the majority of the attending directors in order to elect a Chairman among the directors. The Chairman shall represent the Company externally, and shall internally act as the chair of the shareholders meetings and board of directors meetings. In case where the Chairman is on leave or cannot exercise his power and authority for any cause, the Chairman may appoint a director to act as a proxy thereof; where the Chairman fails to appoint a proxy, the directors shall elect one person from among the directors to act as the proxy.

**Article 22** Except for the first board of directors' meeting for each term of newly elected directors, which shall be convened by the director who received the most votes, board meetings shall be convened by the chairman. In addition, meeting notices indicating the meeting date, place, agenda and sufficient meeting information shall be submitted to each director in writing, e-mail or facsimile seven days before the convention of the meeting. However, in case of emergencies, meetings may be convened at any time.

**Article 23** The board of directors' meetings of the Company shall be convened once every three months and may be convened at any time whenever necessary. Unless otherwise specified in the Company Act, a Board of Directors' meeting shall be convened by the Chairman.

**Article 24** In case where a director cannot attend a board of directors' meeting due to reasons, he or she may issue a power of attorney indicating the scope of authority for the reasons of such convention of board of directors' meeting in order to appoint another director to act as a proxy for attending the meeting on his or her behalf, provided that the proxy shall only accept the appointment of one director only.

Directors with residences outside the jurisdiction of R.O.C. may issue a power of attorney to another shareholder with residence in the jurisdiction of R.OC. to act as a proxy thereof in order to attend a board of directors' meeting on his or her behalf according to the Company Act.

During the convention of a board of directors' meeting, if it is held with the video conference method, directors attending the meeting through the video conference shall be deemed to have attended the meeting in person.

**Article 25** The board of directors' executive duties shall comply with the laws, Articles of Incorporation and resolutions of the shareholders' meetings in order to exercise its authorities and duties

**Article 26** (Has been deleted)



**Article 27** (Has been deleted)

**Article 27-1** Transportation expenses of directors, remuneration of independent directors, and salary of the chairman shall be determined by the board of directors according to the relevant standards adopted in the industry and TWSE/TPEX listed companies. In addition, other allowances for the chairman are paid according to regulations for employees' salary and compensation.

**Article 27-2** The Company shall purchase liability insurance for directors with respect to liabilities resulting from exercising their duties, so as to reduce and spread the risk of material harm to the Company and shareholders arising from wrongdoings or negligence of a director.

The Company shall report the insured amount, coverage, premium rate, and other important contents of the liability insurance it has purchased or renewed for directors, at the next board meeting.

**Article 28** The Company has one President as the managerial officer and the appointment, discharge and remuneration thereof shall be handled according to Article 29 of the Company Act.

**Article 29** The managerial officers of the Company shall handle business operations of the Company according to the resolutions of the board of directors' meetings.

**Article 30** The internal organization of the Company and its authorities shall be handled according to the resolutions of the board of directors' meetings.

## ***Chapter 5 Accounting***

**Article 31** The Company's fiscal year shall be from January 1 to December 31 each year. At the end of each fiscal year, the Board of Directors shall prepare financial statements in accordance with the Company Act, and submit the financial statements to the Audit Committee for review thirty days before the annual general meeting. The Audit Committee shall prepare an audit report to the annual general meeting for acknowledgment.

**Article 32** Where the Company has a profit for a fiscal year, no less than 0.1 percent of such profit shall be appropriated as employee bonuses and no higher than 1% of such profit shall be appropriated as directors' remuneration through resolutions of the board of directors' meeting. The recipients of employee bonuses include employees of affiliates meeting certain criteria. A sum shall be set aside in advance to pay down any outstanding cumulative losses before employee bonuses

and directors' remuneration can be allocated according to the above percentage. The distribution of employee bonuses and directors' remunerations shall be submitted to the Board of Directors for resolution and shall be reported to the shareholders' meeting.

**Article 32-1** Where the Company has earnings after the settlement of each year, the distribution of earnings shall be made in accordance with the following sequence:

- (I) Compensate losses of previous years;
- (II) Appropriate 10 percent as the legal reserve, until the aggregate amount has reached the total capital of the Company;
- (III) Set aside or reverse a special reserve depending upon the operating needs of the Company and regulatory requirements;
- (IV) Where there are still distributable earnings, the board of directors shall then submit an earnings distribution proposal to the shareholders' meeting for resolution on the distribution thereof.

The Company is in a high-tech engineering market with stable growth and also develops diverse strategies at the same time. The Company also expands the business operating foundation in the development of investment plans, including environmental protection and energy etc. During the establishment of the proposal for distribution of earnings by the board of directors, it is necessary to consider the stability of dividends. Except when there is need for capital, the earnings distributed each year shall account for more than 50 percent of the distributable earnings, and where the shareholders' cash bonus shall not be less than 10 percent of the shareholders' bonus.

**Article 33** The distribution of the shareholders' dividends shall be limited to the shareholders recorded on the shareholders' list on the dividend distribution target date.

### ***Chapter 6 Supplementary Provisions***

**Article 34** The organizational charters and operational rules of the Company shall be further established by the board of directors.

**Article 35** For any matters not specified in these Articles of Incorporation, such matters shall be handled according to the regulations of the Company Act.

**Article 36** These Articles of Incorporation were established on March 2, 1993. First amendment was made according to the resolution of the extraordinary shareholders' meeting on May 25, 1993. Second amendment was made according to the resolution of the extraordinary shareholders' meeting on November 22, 1993. Third amendment was made according to the resolution of the extraordinary

shareholders' meeting on September 22, 1994. Fourth amendment was made according to the resolution of the Annual Meeting of Shareholders on June 11, 1996. Fifth amendment was made according to the resolution of the Annual Meeting of Shareholders on June 25, 1997. Sixth amendment was made according to the resolution of the shareholders' meeting on June 29, 1998. Seventh amendment was made according to the resolution of the shareholders' meeting on June 9, 2000. Eighth amendment was made according to the resolution of the shareholders' meeting on June 8, 2001. Ninth amendment was made according to the resolution of the shareholders' meeting on June 11, 2002. Tenth amendment was made according to the resolution of the shareholders' meeting on June 28, 2005. Eleventh amendment was made according to the resolution of the shareholders' meeting on June 25, 2008. Twelfth amendment was made according to the resolution of the shareholders' meeting on June 28, 2012. Thirteenth amendment was made according to the resolution of the shareholders' meeting on June 25, 2015. Fourteenth amendment was made according to the resolution of the shareholders' meeting on June 22, 2016. Fifteenth amendment was made according to the resolution of the shareholders' meeting on June 22, 2018. Sixteenth amendment was made according to the resolution of the shareholders' meeting on June 25, 2019. Seventeenth amendment was made according to the resolution of the shareholders' meeting on August 26, 2021. Eighteenth amendment was made according to the resolution of the shareholders' meeting on June 23, 2022.

## Four. List of Shareholding by Current Directors

(Up to the book closure of Annual Meeting of Shareholders of this year:  
April 27, 2025)

Unit: Shares %

Job Title	Name		Shareholder Account No.	Shareholding (Ordinary shares)	Holding percentage (%)
Chairman	Ying-Pin Hsieh	China Steel Corporation	1	55,393,138	44.76%
Director	Chien-Chih Hwang				
Director	Shou-Tao Chen				
Director	Chih-Feng Lee				
Director	Chen Yang				
Director	Hsiu-Mei Liu	Hua Eng Wire and Cable Co., Ltd.	4	11,843,730	9.57%
Director	Yu-Lun Kuo	Great Grandeul Steel Corporation	19071	3,962,000	3.20%
Director	Po-Nien Lin	Bai-Chien Investment Co., Ltd.	16	3,005,000	2.43%
Independent Director	Chia-Jung Chen			0	0
Independent Director	Po-Han Wang			0	0
Independent Director	Tai-Guang Peng			0	0
Number of shares held by all directors				74,203,868	59.96%
Minimum number of shares required to be held by all directors				10,000,000	

Note : The Company has issued 123,742,552 shares of ordinary shares