



# CAYMAN ENGLE Y INDUSTRIAL CO., LTD.

## The Annual Shareholders' Meeting in 2023

Date: Wed, 28 June, 2023 9:00 AM

Location: 14F., No. 349, Sec. 2, Zhongshan Rd., Changhua City, Changhua County  
(Building of Changhua Farmer's Association)

Attendees:

1. Total shares represented by shareholders and proxy present 91,334,497 shares(including 89,488,559 representative shares of shareholders present who exercise their rights electronically), which is 76.75% of the company's total outstanding shares, 118,996,424 shares(excluding 0 shares without voting rights).
2. Chairman: Top-Gain Enterprises Ltd(Representative: Lin Shang-Wei)
3. Director: Top-Gain Enterprises Ltd(Representative: Lin Shang-Wei), Tsai, Meng-Han.
4. Independent Directors: Yeh, Chih-Ming, Liou, Cheng-Hwai, Hsu, Ching-Tao.
5. Recorder: Huang, Sheng-Wen.

### I. Words by the Chairman

(omitted)

### II. Report Items

1. 2022 Business Report.
2. Audit Committee's Review Report on the 2022 Financial Statements.
3. Status of the 2022 Employees' and Directors' Compensations.
4. Amendment to the "PROCEDURAL RULES OF BOARD MEETINGS".

### III. Proposal Items

#### Proposal No. 1

Adoption of 2022 Business Report and Financial Statements (Proposed by the Board of Directors)

Explanatory Notes:

1. The Company's 2022 financial statements have been resolved in the Board of Directors meeting convened on March 30, 2022. The Audit Committee has reviewed the aforementioned Financial Statements along with the Business Report and have issued the review report.
2. The Company's 2022 Business Report, Independent Auditors' Report, and the Financial Statements are attached hereto (Please refer to Attachment I and Attachment IV of the handbook).
3. Please proceed to adopt.

Resolution:

1. Ratify 89,910,028 shares (including exercised by way of electronic transmission 89,473,648 shares), accounting for 98.44% of the voting rights of shareholders present;
2. Oppose 3,053 shares (including exercised by way of electronic transmission 3,053 shares);
3. Abstain from voting 1,421,416 shares (including exercised by way of electronic transmission 11,858 shares).
4. Resolved, that the above proposal be and hereby was approved as proposed.

#### Proposal No. 2

Adoption of the Proposed Distribution of 2022 Earnings (Proposed by the Board of Directors).

Explanatory Notes:

1. The Company's proposed distribution of 2022 earnings has been resolved in the Board of Directors meeting convened on March 30, 2023 (Please refer to Attachment I and Attachment V of the handbook).
2. It is proposed to allocate NT\$55,703,603 from distributable earnings to distribute cash dividends. Calculated based on the actual number of outstanding shares of 118,518,304 shares on March 27, 2023, it is planned to distribute NT\$0.47 per share. Upon the approval of the Annual Meeting of Shareholders, it is proposed that the Chairman be authorized to resolve the ex-dividend date. The cash dividend distributed to each shareholder shall be calculated in whole numbers, and for fractional dividend amounts that are less than NT\$1, recognized other revenue.
3. In the event that, before the distribution record date, the number of the Company's outstanding shares changes due to an amendment to relevant laws or regulations, an

adjustment by competent authorities, convertible corporate bonds to common stock or other factors, requiring the distribution rate to change or corrected, the Board of Directors shall be authorized to duly adjust and handle related matters.

4. Please proceed to adopt.

Resolution:

1. Ratify 89,910,028 shares (including exercised by way of electronic transmission 89,473,648 shares), accounting for 98.44% of the voting rights of shareholders present;
2. Oppose 5,053 shares (including exercised by way of electronic transmission 5,053 shares);
3. Abstain from voting 1,419,416 shares (including exercised by way of electronic transmission 9,858 shares).
4. Resolved, that the above proposal be and hereby was approved as proposed.

#### IV. Discussion Items

Proposal No. 1

Amendment to the “Company's Articles of Association”. (Proposed by the Board of Directors).

Explanatory Notes:

1. In order to conform to amendments to related commercial laws, the Company hereby proposes to amend the “Company's Articles of Association”.
2. The Company's Comparison Table for the “Company's Articles of Association” Before and After Amendment is attached hereto (Please refer to Attachment VI of the handbook).

Resolution:

1. Ratify 89,912,028 shares (including exercised by way of electronic transmission 89,475,648 shares), accounting for 98.44% of the voting rights of shareholders present;
2. Oppose 3,053 shares (including exercised by way of electronic transmission 3,053 shares);
3. Abstain from voting 1,419,416 shares (including exercised by way of electronic transmission 9,858 shares).
4. Resolved, that the above proposal be and hereby was approved as proposed.

Proposal No. 2

Amendment to the “PROCEDURAL RULES OF GENERAL MEETINGS” (Proposed by the Board of Directors).

Explanatory Notes:

1. In order to conform to amendments to related commercial laws, the Company hereby proposes to amend the “PROCEDURAL RULES OF GENERAL MEETINGS”.
2. The Company’s Comparison Table for the “PROCEDURAL RULES OF GENERAL MEETINGS” Before and After Amendment is attached hereto (Please refer to Attachment VII of the handbook).

Resolution:

1. Ratify 89,912,028 shares (including exercised by way of electronic transmission 89,475,648 shares), accounting for 98.44% of the voting rights of shareholders present;
2. Oppose 3,053 shares (including exercised by way of electronic transmission 3,053 shares);
3. Abstain from voting 1,419,416 shares (including exercised by way of electronic transmission 9,858 shares).
4. Resolved, that the above proposal be and hereby was approved as proposed.

Proposal No. 3

Approve the lifting of non-competition restrictions for directors  
(Proposed by the Board of Directors).

Explanatory Notes:

1. In accordance with Article 209 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 meeting of shareholders the essential contents of such an act and secure its approval.”
2. If the Company’s new directors and their representatives invest in or operate other companies with the same or similar scope of business as the Company and serve as directors or managers, the Company intends to seek the approval of the shareholders’ meeting to lift the prohibition on non-competition, provided that the Company’s interests are not jeopardized.
3. Release of Directors from List of Non-Competition (Please refer to Attachment VIII of the handbook).

Resolution:

1. Ratify 89,912,028 shares (including exercised by way of electronic transmission 89,475,648 shares), accounting for 98.44% of the voting rights of shareholders present;
2. Oppose 4,121 shares (including exercised by way of electronic transmission 4,121 shares);
3. Abstain from voting 1,418,356 shares (including exercised by way of electronic transmission 8,798 shares).

4. Resolved, that the above proposal be and hereby was approved as proposed.

V. Provisional motion

No provisional motions were proposed.

VI. Closing

June 28th (Wed.), 2023 at 09:18 a.m.

(There were no questions from shareholders at this Annual Shareholders' Meeting)

## 【Attachment I】

### CAYMAN ENGLEIGH INDUSTRIAL CO., LTD.

#### 2022 Business Report

##### (1) Business Results

According to the statistical analysis of the China Association of Automobile Manufacturers, in 2022, despite the impact of many unfavorable factors such as the spread of the epidemic, the structural shortage of chips, and local geopolitical conflicts, however, driven by a series of steady growth and consumption-promoting policies such as halving the purchase tax, the sales volume of passenger vehicles in China will reach 23.563 million in 2022, an increase of 9.5% over 2021. Among them, under the dual effects of policy and market, the annual sales volume of new energy vehicles was 6.887 million, and the market share increased to 25.6%.

The Company has successfully undertaken the new energy vehicle projects of Volvo, FAW Volkswagen, and Beijing Benz in recent years. In the future, it will continue to actively expand cooperation with other brand. The 2022 revenue and expenditure, profitability analysis and report on future development strategy are as follows:

##### (2) Revenue and Expenditure and Profitability Analysis

Unit: NT\$ thousands; %

Item \ Year		2022	2023	Growth
Profit and Loss Analysis	Operating Revenue	20,277,213	22,780,433	12.34%
	Gross Profit	2,999,052	2,401,228	(19.93%)
	Net Income	665,268	138,113	(79.24%)
Profitability	Return on Asset (%)	3.48	0.94	(72.99%)
	Return on Equity (%)	6.87	1.30	(81.08%)
	Operating Revenue to Paid-In Capital (%)	57.29	1.33	(97.68%)
	Net Income to Paid-In Capital (%)	98.52	21.97	(77.70%)
	Profit Margin (%)	4.84	0.86	(82.23%)
	Basic Earnings Per Share (NT\$)	5.64	1.17	(79.26%)
	Diluted Earnings Per Share (NT\$)	5.54	1.15	(79.24%)

Note: The figures in this table are from the consolidated financial statements audited by CPAs and are

prepared using the International Financial Reporting Standards.

### (3) Future Development Strategy

#### 1. Equipment Upgrade Plan

The company will comprehensively enhance the traditional and automated product lines of auto parts. From the perspective of technology and market promotion, around the relevant fields of the company's main products. Fully upgrade the company's manufacturing equipment, further expand the company's auto parts production scale, and meet the rapidly growing market demand.

#### 2. Research and Development Overview

In response to the trend of lightweighting in the automotive industry, in addition to continuous process improvement of high-strength steel rolling technology, heat treatment technology and aluminum alloy products, new composite materials have been continuously invested in the development of automotive parts.

The Company strengthens the degree of automation and automatic detection technology of back-end computers to improve process accuracy and improve product yield. In response to customer requirements, we strive to develop modular products to provide better product service quality to our customers.

#### 3. Business Development

The company will continue to follow the footsteps of the OEMs. In addition to maintaining existing customer relationships, we will also cooperate with China's major cities to purchase automobile and government-related electric vehicle subsidy policies. At the same time, we will actively plan to enter the new energy vehicle market and expand new product projects with a view to preempting them. We have successfully received new energy vehicle projects from Volvo, FAW Volkswagen and Beijing Benz to help introduce operational energy to the Company's operations. In the future, we will engage with other brands of automobile manufacturers to discuss related cooperation matters, and look forward to providing aluminum and plastic products related to new energy vehicles.

2023 will enter the third year of China's 14th Five-Year Plan and it will driven by the "New Energy Automobile Industry Development Plan (2021-2025)", electrification, intelligence, connectivity and digitization will accelerate the transformation and upgrading of the automobile industry, and the new energy vehicle market will also shift from policy-driven to market-driven change. Many research institutes in China predicted that the economic growth in China may remain 7.5% in 2021. Despite low Consumer Price Index in China, consumers tend to decrease unnecessary consumption with lower consumer confidence when GDP growth rate is not as high as before. Given that the growth rate in the base year is high, it can be assumed that the rapid expansion stage of the automotive industry in China may end, and the market gradually moves into the stage of stable development. However, China's macroeconomic regulation and control is still in favor of development of car manufacturers and upstream auto part firms because macro-control emphasizes continuity and stability of economic policies, which benefits large-scale firms with promising long-term effect.

Chairman: Lin, Shang-Wei

General Manager: Lin, Chi-Pin

Accounting Supervisor: Huang, Sheng-wen

**【Attachment II】**

**CAYMAN ENGLEIGH INDUSTRIAL CO., LTD.**

**Audit Committee's Review Report**

The Board of Directors has prepared the Company's 2022 Business Report, Financial Statements, and proposed distribution of earnings. The CPA firm of PwC. was retained to audit the Financial Statements and has issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and proposed distribution of earnings have been reviewed and determined to be correct and accurate by the Audit Committee. According to relevant requirements of Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law, we hereby submit this report.

To: 2023 Annual Meeting of Shareholders, Cayman Engleigh Industrial Co., Ltd.

**CAYMAN ENGLEIGH INDUSTRIAL CO., LTD.**

Convener of the Audit Committee: Liou, Cheng-Hwai

March 30, 2023



### 【Attachment III】

**CAYMAN ENGLEIGH INDUSTRIAL CO., LTD.**  
**Comparison Table for the “PROCEDURAL RULES OF BOARD MEETINGS”**  
**Before and After Revision**

<b>AFTER THE REVISION</b>	<b>BEFORE THE REVISION</b>	<b>Explanation</b>
<p>Article 3 Paragraph 3 All matters set out in subparagraphs of Article 11, paragraph 1, shall be specified in the notice of the reasons for calling a Board of Directors meeting; none of them may be raised by an extraordinary motion.</p>	<p>Article 3 Paragraph 3 All matters set out in subparagraphs of Article 11, paragraph 1, shall be specified in the notice of the reasons for calling a Board of Directors meeting; none of them may be raised by an extraordinary motion—<del>except in the case of an emergency or legitimate reason.</del></p>	<p>In line with the revision of Financial Supervisory Commission No. 1110383263 on August 5, 2022.</p>
<p>Article 11 Paragraph 1 The following matters shall be brought to a Board meeting for discussion: 1. The Company's business plan; 2. Annual financial report and Second quarter financial report which required to be audited by the accountants; 3. Internal control system established or amended in accordance with the Applicable Listing Rules, and assessment of the effectiveness of the internal control system; 4. Procedure for handling important financial and business activities such as the acquisition or disposition of assets, derivative products transactions, lending of capital, endorsement for</p>	<p>Article 11 Paragraph 1 The following matters shall be brought to a Board meeting for discussion: 1. The Company's business plan; 2. Annual financial report and Second quarter financial report which required to be audited by the accountants; 3. Internal control system established or amended in accordance with the Applicable Listing Rules, and assessment of the effectiveness of the internal control system; 4. Procedure for handling important financial and business activities such as the acquisition or disposition of assets, derivative products transactions, lending of capital, endorsement for</p>	<p>In line with the revision of Financial Supervisory Commission No. 1110383263 on August 5, 2022.</p>

AFTER THE REVISION	BEFORE THE REVISION	Explanation
<p>third party, provision of guarantee, established or amended in accordance with the Applicable Listing Rules;</p> <p>5. Offering, issue or private placement of securities of the nature of equity;</p> <p>6. <u>If the board of directors does not have a managing director, the chairman of the board shall be elected or dismissed ;</u></p> <p>7. Appointment and/or dismissal of a financial, accounting or internal audit officers;</p> <p>8. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the following Board meeting for ratification; and; and</p> <p>9. Matters to be resolved at general meetings or by the Board meeting in accordance with the Applicable Listing Rules, Law or the Articles, or any such significant matters as may be prescribed by the Commission.</p> <p>The term “related party” in subparagraph 8 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial</p>	<p>third party, provision of guarantee, established or amended in accordance with the Applicable Listing Rules;</p> <p>5. Offering, issue or private placement of securities of the nature of equity;</p> <p>6. Appointment and/or dismissal of a financial, accounting or internal audit officers;</p> <p>7. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the following Board meeting for ratification; and; and</p> <p>8. Matters to be resolved at general meetings or by the Board meeting in accordance with the Applicable Listing Rules, Law or the Articles, or any such significant matters as may be prescribed by the Commission.</p> <p>The term “related party” in subparagraph 7 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers under the Applicable Listing Rules. The term “major donation to a non-related party” means any individual donation, or cumulative</p>	

<b>AFTER THE REVISION</b>	<b>BEFORE THE REVISION</b>	<b>Explanation</b>
<p>Reports by Securities Issuers under the Applicable Listing Rules. The term “major donation to a non-related party” means any individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NTD100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 Percent of paid-in capital as stated in the financial report audited by the accountant for the most recent year.</p>	<p>donations within a 1-year period to a single recipient, at an amount of NTD100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 Percent of paid-in capital as stated in the financial report audited by the accountant for the most recent year.</p>	

## **【Attachment IV】**

\*\*These Independent Auditors' Report and financial statements are translated from the traditional Chinese version and are unaudited by a CPA.

### **Independent Auditors' Report**

(2023)PWCR22005047

To the Board of Directors and Shareholders of Cayman Engley Industrial CO., LTD.,

### **Audit Opinion**

We have audited the consolidated balance sheets of Cayman Engley Industrial CO., LTD. and its subsidiaries (the "Company") as at December 31<sup>st</sup>, 2022 and 2021, and the consolidated comprehensive profit or loss statement, consolidated statement of changes in equities and consolidated cash flow table for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the abovementioned consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31<sup>st</sup>, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended, in accordance with the "Regulations Governing the Preparations of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

### **Basis of Audit Opinion**

We conducted our audits in accordance with the "Rules Governing Auditing and Certification of Financial Statements by Certified Public Accountants" and auditing standards generally accepted in the Republic of China (ROC GAAS). We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidences we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, are of most significance in our audit of the consolidated financial statements of the Company's consolidated financial statements for the year ended December 31<sup>st</sup>, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in the process of forming our opinion thereon, we do not provide a separate opinion on these matters.

The key audit matters of the consolidated financial statements of the Company in 2022 are as follows

## **Deadline of the Recognition of the Sales Revenue**

### **Description**

For accounting policies on the recognition of revenue, please refer to Note 4 (27) of the consolidated financial report. For explanation of accounting of sales revenues, please refer to Note 6 (24) of the consolidated financial statement. The operating income of the Company is mainly derived from sales transactions with car-assembly manufacturers. Since the automobile industry is the buyer's market, the recognition of revenue comes into effect after the customer has accepted the goods and confirmed the transfer of control of products.

Since the impact of revenue on the overall financial statements is enormous, as revenue recognition is based upon completion time of customer acceptance, plus said recognition usually involves many manual controls which may increase the risk that revenue recognition is not recorded in the correct period of time, thereby affecting correctness of deadline of revenue recognition. Therefore, the accountants listed deadline for sales revenue recognition as one of the key matters for auditing.

### **Audit procedures in response**

The accountants have implemented the following procedures in response to the specific aspects specified in the abovementioned key audit matters :

1. Understand the sales revenue operating procedures of car-assembly manufacturers of the Company; Evaluate and test effectiveness of the design and implementation of internal control system of car-assembly manufacturers related to revenue recognition
2. Verify the sales transaction with the group car assembly manufacturer within a certain period before and after the date stated in the balance sheet, and verify the proof of the transfer of control of the goods provided by the car assembly manufacturers to confirm the correctness of the transaction recognition deadline.

## **Evaluation of Allowance for Inventory Valuation Losses**

### **Description**

For accounting policies on inventory valuation, please refer to the Note 4 (12) of the consolidated financial report. For uncertainties of accounting estimations and assumptions of inventory valuations, please refer to Note 5 (2) of the consolidated financial report. For description of inventory accounting, please refer Note 6 (4) of the consolidated financial report. Balance of inventory and allowance for inventory valuation of December 31<sup>st</sup>, 2022 are NT \$6,482,423 and NT \$467,098 thousands respectively.

The Company is mainly engaged in the manufacturing and sales of automobile parts. The value of inventories is subject to fluctuations of the demand market and rapid

changes in technologies, which may result in higher inventory depreciation losses or outdated risks. Taking into account the significant impact on the financial statements of the inventory of the Company and its allowance for depreciation losses, the net realization value used in inventory valuation often involves subjective judgments, and thus has a high level of estimation uncertainty. Therefore, the accountants listed evaluation of allowance for inventory valuation losses as one of the key matters for auditing.

### **Audit procedures in response**

The accountants have implemented the following procedures in response to the specific aspects specified in the abovementioned key audit matters:

1. Understand and evaluate the rationality of the Company's inventory valuation policies.
2. Obtain the inventory age statement, check inventory items randomly to examine logic behind inventory age calculation and information correctness to ensure appropriate categorization of inventory age.
3. As for net realizable value valued of inventory items, the accountants have discussed with the management team and obtained supporting documentation to assess rationality of valuation allowance decisions.

### **Responsibilities of the Management Team and Those in Charge with Governance for the Consolidated Financial Statements**

The management team 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 for the necessary internal control related to the preparation of the consolidated financial statements to ensure that said statements are free from material misstatement, whether due to fraud or error, in accordance with the published and effective International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as recognized and endorsed by the Financial Supervisory Commission.

When preparing the consolidated financial statements, responsibilities of the management team includes assessing the Company’s ability to continue as a going concern, disclosing, as applicable, related matters, and adopting the going concern basis of accounting unless the management team either intends to liquidate the Company or to cease operations of which, or has no realistic alternative but to do so.

Those charged with governance of the Company (including members of the Audit Committee) are responsible for overseeing the financial reporting process.

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

Our objectives to audit the consolidated financial statements 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. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered significant if, individually or in the aggregate, said misstatements could reasonably be expected to influence the economic decisions of users of the consolidated financial statements.

When auditing 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 implemented the following procedures

1. Identify and assess risks of material misstatement of the consolidated financial statements, whether due to fraud or error; Design and perform audit procedures responsive to the said risks; Obtain audit evidence sufficient and appropriate to provide basis for audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain the necessary 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 appropriateness of accounting policies adopted by the management team, and the rationality of accounting estimations and related disclosures made by the management team.
4. Conclude on the appropriateness of the management team's adaptation 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 the attention of consolidated financial report users in our auditors' report to the related disclosures in the consolidated financial statements; or, if such disclosures are inappropriate, we shall modify our audit opinions accordingly. 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 lose the ability to continue as a going concern.

5. Evaluate the overall presentations, structure and content of the consolidated financial statements, including relevant notes, 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 financial information of entities within the Company, in order to express an opinion on the consolidated financial statements.

We are responsible for the direction, supervision and performance of the Company audit.

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 personnel under individual specification of the accounting firm have complied with relevant ethical requirements regarding independence of The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and to communicate with them all relationships and other matters that may reasonably be thought to affect our independence (including related safeguarding measures).

From the matters communicated with those charged with governance, we determine matters that were of most significance in the audit of the Company's consolidated financial statements for the year ended December 31<sup>st</sup>, 2022, which are therefore key audit matters. We describe these matters in our auditors' report, unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that the matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh benefits to public interest of such communication.



Liu, Mei-Lan

Certified Public Accountants

Hsu, Chien-Yeh

Financial Supervisory Commission

Approval Issuance No. JinguangzhengshenZi No.  
1070323061

Financial Supervisory Commission

Approval Issuance No. JinguangzhengshenZi No.  
1050035683

March 30th, 2023

Cayman Engley Industrial CO., LTD. and its Subsidiaries

Consolidated Balance Sheets

December 31<sup>st</sup>2022 and December 31<sup>st</sup>, 2021

Unit : NTD(thousands)

		Unit : NTD(thousands)		December 31 <sup>st</sup> 2022		December 31 <sup>st</sup> 2021		
Assets		NOTES		Amount	%	Amount	%	
Current Assets								
1100	Cash and cash equivalent	6(1)	\$	3,416,455	9	\$	3,387,938	11
1110	Financial assets at fair value through	6(2)		2,092	-			
	profit or loss						9,609	-
1136	Financial assets measured at	8		169,909	1			
	amortised cost - current						3,874	-
1150	Notes receivable, net	6(3)& 8		1,047,470	3		1,501,570	5
1170	Accounts receivable, net	6(3)		5,202,179	14		3,935,956	12
1200	Other receivables	7(3)		170,020	-		137,785	-
1220	Current tax assets			13,997	-		27,767	-
130X	Inventory	6(4)		6,015,325	17		5,049,982	16
1410	Prepayments	6(5)&7(3)		1,110,057	3		955,950	3
1470	Other current assets	6(6)&8		2,116,865	6		1,683,725	5
11XX	Total current assets			19,264,369	53		16,694,156	52
Non current assets								
1517	Financial assets at fair value through	6(7)			-			
	other comprehensive profit or loss –							
	non-current			79,808			86,539	-
1550	Investment accounted for using	6(8)		819,781	2		1,160,527	4
	equity method							
1600	Property, plant and equipment	6(9)&8		11,608,061	32		10,162,620	32
1755	Right-of-use assets	6(10)		1,489,318	4		1,255,614	4
1780	Intangible assets	6(11)		1,246,504	4		1,111,837	3
1840	Deferred income tax assets	6(31)		460,629	1		261,805	1
1900	Other non-current assets	6(12)&8		1,380,214	4		1,421,213	4
15XX	Total non-current assets			17,084,315	47		15,460,155	48
1XXX	Total assets		\$	36,348,684	100	\$	32,154,311	100

(continued)

Cayman Engley Industrial CO., LTD. and its Subsidiaries

Consolidated Balance Sheets

December 31<sup>st</sup>2022 and December 31<sup>st</sup>, 2021

Unit : NTD(thousands)

	Liabilities and equities	NOTES	December 31 <sup>st</sup> 2022		December 31 <sup>st</sup> 2021	
			Amount	%	Amount	%
	<b>Current Liabilities</b>					
2100	Short-term borrowings	6(14)	\$ 3,064,055	9	\$ 2,491,642	8
2130	Contract liabilities-current	6(24)	347,764	1	275,218	1
2150	Notes payable		4,090,009	11	3,086,935	10
2160	Notes payable –related parties	7(3)	141,972	-	211,914	1
2170	Accounts payable		4,921,082	14	4,312,221	13
2180	Accounts payable – related parties	7(3)	154,859	1	278,076	1
2200	Other payables	6(15)	1,468,431	4	1,047,008	3
2220	Other payables - related parties	7(3)	13,089	-	1,298	-
2230	Income tax payable		111,806	-	86,509	-
2280	Lease liabilities – current	7(3)	128,897	-	99,343	-
2320	Long-term liabilities, current portion	6(17)	835,846	2	717,074	2
2399	Other current liabilities-other		6,173	-	42,961	-
21XX	<b>Total current liabilities</b>		<u>15,283,983</u>	<u>42</u>	<u>12,650,199</u>	<u>39</u>
	<b>Non current liabilities</b>					
2527	Contract liability – non-current	6(24)	54,120	-		
2530	Bonds payables	6(16)	457,559	1	482,021	2
2540	Long-term borrowings	6(17)	4,286,628	12	3,042,609	9
2570	Deferred income liabilities	6(31)	420,229	1	409,185	1
2580	Lease liabilities – non-current	7(3)	397,758	1	278,181	1
2600	Other non-current liabilities	6(18)	195,462	1	200,669	1
25XX	<b>Total non-current liabilities</b>		<u>5,811,756</u>	<u>16</u>	<u>4,412,665</u>	<u>14</u>
2XXX	<b>Total liabilities</b>		<u>21,095,739</u>	<u>58</u>	<u>17,062,864</u>	<u>53</u>
	<b>EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY</b>					
3110	Common stock	6(20)	1,184,964	3	1,180,070	4
	<b>Capital surplus</b>	6(21)				
3200	Capital surplus		8,257,868	23	8,257,351	25
	<b>Retained earnings</b>	6(22)				
3310	Legal reserve		546,284	2	510,940	2
3320	Special reserve		1,616,623	4	1,422,115	4
3350	Unappropriated retained earnings		761,763	2	1,148,833	4
	<b>Other interests</b>					
3400	Other interests		( 1,402,820)	( 4)	( 1,616,623)	( 5)
31XX	<b>Total equity attributable to shareholders of the</b>		<u>10,964,682</u>	<u>30</u>	<u>10,902,686</u>	<u>34</u>
36XX	<b>Non-controlling interests</b>	6(23)	<u>4,288,263</u>	<u>12</u>	<u>4,188,761</u>	<u>13</u>
3XXX	<b>Total equity</b>		<u>15,252,945</u>	<u>42</u>	<u>15,091,447</u>	<u>47</u>
	contingent liabilities and unrecognized contractual commitments	9				
3X2X	<b>Total liabilities and interests</b>		<u>\$ 36,348,684</u>	<u>100</u>	<u>\$ 32,154,311</u>	<u>100</u>

Please refer to the accompanying notes, an integral part of the consolidated financial statements.

Chairman : Lin, Shang-Wei

General manager : Lin, Chi-Pin

Accounts supervisor : Huang, Sheng-Wen

Cayman Engley Industrial CO., LTD. and its Subsidiaries  
Consolidated Statement of Comprehensive Income

January 1<sup>st</sup> to December 31<sup>st</sup>, 2022 and January 1<sup>st</sup> to December 31<sup>st</sup>, 2021 Unit : NTD(thousand)

(Except earnings per share, which is in NTD)

Items	NOTES	2022		2021	
		Amount	%	Amount	%
4000 <b>Operating revenue</b>	6(24)	\$ 22,780,433	100	\$ 20,277,213	100
5000 Operating cost	6(4)&7(3)	( 20,379,205)	( 89)	( 17,278,161)	( 85)
5900 <b>Operating margin</b>		<u>2,401,228</u>	<u>11</u>	<u>2,999,052</u>	<u>15</u>
<b>Operating expenses</b>	6(29)(30)&7(3)				
6100 Marketing expenses		( 450,074)	( 2)	( 449,373)	( 2)
6200 Administrative expenses		( 981,665)	( 5)	( 1,018,086)	( 5)
6300 Research and development expenses		909,651)	4	( 868,489)	( 5)
6450 Expected credit impairment loss	12(2)	( 44,042)	-	12,949	-
6000 <b>Total operating expenses</b>		( 2,385,432)	( 11)	( 2,322,999)	( 12)
6900 <b>Operating income</b>		<u>15,796</u>	<u>-</u>	<u>676,053</u>	<u>3</u>
<b>Non-operating income and expenses</b>					
7100 Interest incomes	6(26)	33,196	-	32,007	-
7010 Other incomes	6(27)	112,636	1	115,402	1
7020 Other profit and loss	6(25)	159,610	1	519,128	3
7050 Finance cost	6(28)&7(3)	( 166,900)	( 1)	( 189,440)	( 1)
7060 Share of profit and loss of associates and joint ventures recognized using equity method	6(8)	105,940	-	9,398	-
7000 Total non-operating income and expenses		<u>244,482</u>	<u>1</u>	<u>486,495</u>	<u>3</u>
7900 <b>Income before tax</b>		260,278	1	1,162,548	6
7950 Income expenses	6(31)	( 63,494)	-)	( 182,099)	( 1)
8200 <b>Net profit of the year</b>		<u>\$ 196,784</u>	<u>1</u>	<u>\$ 980,449</u>	<u>5</u>

(Continued)

Cayman Engley Industrial CO., LTD. and its Subsidiaries  
Consolidated Statement of Comprehensive Income

January 1<sup>st</sup> to December 31<sup>st</sup>, 2022 and January 1<sup>st</sup> to December 31<sup>st</sup>, 2021 Unit : NTD(thousand)

(Except earnings per share, which is in NTD)

	Items	Notes	2022		2021	
			Amount	%	Amount	%
	Components of other comprehensive profit and loss (net)					
	Items not reclassified to profit or loss					
8316	Unrealized assessed profit or loss invested by equity tools measured at fair value through other comprehensive profit or loss	6(7)		-		
			( \$ 17,462)		( \$ 9,698)	-
8310	Total items not reclassified to profit or loss		( 17,462)	-	( 9,698)	-
	Subsequent items that may be reclassified to profit or loss					
8361	Exchange differences on translation for financial statements of foreign organizations in operation		298,413	1)	( 200,153)	( 1)
8370	Share of other comprehensive income of associates and joint ventures recognized using equity method that may be reclassified to profit or loss	6(8)				
			2,713	-	( 1,791)	-
8360	Total Subsequent items that may be reclassified to profit or loss		301,126	1	( 201,944)	( 1)
8300	Other comprehensive profit or loss (net)		\$ 283,664	1	( \$ 211,642)	( 1)
8500	Total comprehensive profit or loss for the year		\$ 480,448	2	\$ 768,807	4
	Net profit (loss) attributable to:					
8610	Shareholders of the parent company		\$ 138,113	1	\$ 665,268	3
8620	Non-controlling interests	6(23)	58,671	-	315,181	2
	Net profit of the year		\$ 196,784	1	\$ 980,449	5
	<b>Comprehensive income/loss (net) attributable to:</b>					
8710	Shareholders of the parent company		351,916	1		
			\$		\$ 470,760	3
8720	Non controlling interests		128,532	1	298,047	1
	<b>Total comprehensive income</b>		\$ 480,448	2	\$ 768,807	4
	<b>Earnings per share</b>	6(32)				
9750	<b>Total basic earnings per share</b>		\$	1.17	\$	5.64
9850	<b>Total diluted earnings per share</b>		\$	1.15	\$	5.54

Please refer to the accompanying notes, an integral part of the consolidated financial statements.

Chairman : Lin, Shang-Wei

General manager : Lin, Chi-Pin

Accounts supervisor : Huang Sheng-Wen

Cayman Engley Industrial CO., LTD. and itsSubsidiaries  
Consolidated Statement of Changes in Equities  
Jan. 1<sup>st</sup> to Dec. 31<sup>st</sup>, 2022 and Jan. 1<sup>st</sup> to Dec. 31<sup>st</sup>, 2021 Unit: NTD (thousand)

EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT												
		Surplus			Retained earnings			Other interests				
	Notes	Capital stock – Common equity	Capital stock – Amount	Capital stock	Legal reservie	Special capital reserve	Unappropriated earnings	Exchange differences on translation of foreign financial statements	Financial assets measured at fair value through other comprehensive income	Total	Non-controlling interests	Total equity
<u>Jan. 1st to Dec. 31st, 2021</u>												
Balance on Jan. 1 <sup>st</sup> 2021		\$ 1,180,070	\$ 8,159,881	\$ 211,206	\$ 481,639	\$ 1,647,510	\$ 817,610	(\$ 1,421,306 )	(\$ 809 )	\$ 11,075,801	\$ 2,369,731	\$ 13,445,532
Total consolidated profit and loss of the year	6(23)	-	-	-	-	-	665,268	-	-	665,268	315,181	980,449
Other comprehensive profit and loss of the year	6(23)	-	-	-	-	-	-	( 186,434 )	( 8,074 )	( 194,508 )	( 17,134 )	( 211,642 )
Total comprehensive profit and loss of the year		-	-	-	-	-	665,268	( 186,434 )	( 8,074 )	470,760	298,047	768,807
Appropriation and distribution of retained earnings in2020	6(22)											
Legal reserves		-	-	-	29,301	-	( 29,301 )	-	-	-	-	-
Special reserves		-	-	-	-	( 225,395 )	225,395	-	-	-	-	-
Cash dividends		-	-	-	-	-	( 218,313 )	-	-	( 218,313 )	-	( 218,313 )
Items recognized as equity components due to the issuance of convertible corporate bonds	6(16)	-	-	13,879	-	-	-	-	-	13,879	-	13,879
Recognition of all changes in equity in subsidiaries	4(3)&6(23)	-	-	( 127,615 )	-	-	( 311,826 )	-	-	( 439,441 )	1,520,983	1,081,542
Balance on Dec.31 <sup>st</sup> 2021		\$ 1,180,070	\$ 8,159,881	\$ 97,470	\$ 510,940	\$ 1,422,115	\$ 1,148,833	(\$ 1,607,740 )	(\$ 8,883 )	\$ 10,902,686	\$ 4,188,761	\$ 15,091,447
<u>Jan. 1<sup>st</sup> to Dec. 31<sup>st</sup> 2022</u>												
Balance on Jan.1 <sup>st</sup> 2022		\$ 1,180,070	\$ 8,159,881	\$ 97,470	\$ 510,940	\$ 1,422,115	\$ 1,148,833	(\$ 1,607,740 )	( \$ 8,883 )	\$ 10,902,686	\$ 4,188,761	\$ 15,091,447
Total consolidated profit and loss of the year	6(23)	-	-	-	-	-	138,113	-	-	138,113	58,671	196,784
Other consolidated profit and loss of the year.	6(23)	-	-	-	-	-	-	228,979	( 15,176 )	213,803	69,861	283,664
Total consolidated profit and loss of the year		-	-	-	-	-	138,113	228,979	( 15,176 )	351,916	128,532	480,448
Appropriation and distribution of retained earnings in 2021	6(22)											
Legal reserves		-	-	-	35,344	-	( 35,344 )	-	-	-	-	-
Special reserves		-	-	-	-	194,508	( 194,508 )	-	-	-	-	-
Cash dividends		-	-	-	-	-	( 295,331 )	-	-	( 295,331 )	-	( 295,331 )
Conversion of convertible corporate bonds into common stock	6(16)	4,894	26,741	( 880 )	-	-	-	-	-	30,755	-	30,755
Disposal of investments using the equity method		-	-	( 25,344 )	-	-	-	-	-	( 25,344 )	-	( 25,344 )
Changes in non-controlling interests	6(23)	-	-	-	-	-	-	-	-	-	29,030	( 29,030 )
Balance on Dec. 31 <sup>st</sup> , 2022		\$ 1,184,964	\$ 8,186,622	\$ 71,246	\$ 546,284	\$ 1,616,623	\$ 761,763	(\$ 1,378,761 )	( \$ 24,059 )	\$ 10,964,682	\$ 4,288,263	\$ 15,252,945

Cayman Engley Industrial CO., LTD. and its Subsidiaries  
Consolidated Statement of Cash Flow  
Jan. 1<sup>st</sup> to Dec. 31<sup>st</sup> 2022 and Jan. 1<sup>st</sup> to Dec. 31<sup>st</sup> 2021

Unit : NTD(thousand)

	Notes	2022	2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Income before tax of the year		\$ 260,278	\$ 1,162,548
Items for adjustment			
Income and expense items			
Depreciation expense-Property, plant and equipment	6(9)(29)	1,372,367	1,359,844
Depreciation expense-Right of use of assets	6(10)(29)	152,030	148,000
Amortization	6(11)(29)	121,750	122,256
Recognized share of profit(loss) of subsidiaries or associates using equity method	6(8)		
		( 105,940 )	( 9,398 )
Gain or Loss of disposal of property, plant, equipment and right of use of assets	6(25)		
		( 4,669 )	( 270,761 )
Gain of disposal of investment	6(25)	( 308,508 )	
Loss of evaluated of financial assets measured by fair value through profit or loss	6(2)	1,276	1,399
Intangible asset impairment loss	6(11)(25)	-	93,539
Lease Modification Gain	6(10)	-	( 290 )
Expected credit impairment Gain or loss	12(2)	44,042	( 12,949 )
Interest income	6(26)	( 33,196 )	( 32,007 )
Interest cost-financing	6(28)	172,324	210,256
Interest expense – lease liability	6(10)(28)	21,901	17,768
Interest expense – joint loan amortization	6(28)	2,351	8,126
Recognized income of deferred government grants	6(18)	( 4,779 )	( 4,693 )
Gain or Loss from unrealized foreign currency exchange		158,628	( 205,719 )
Asset/liability changes related to operating activities			
Net changes of assets related to operating activities			
Disposal of financial assets at fair value through profit or loss - current		6,195	
Financial assets mandatorily measured at fair value through profit or loss		-	( 937 )
Notes receivable		461,747	1,119,769
Accounts receivable, net		( 1,027,805 )	( 735,498 )
Other receivables		( 39,009 )	( 14,038 )
Other receivables-related parties		57	1,885
Inventory		( 493,479 )	( 967,739 )
Prepayments		( 185,138 )	( 78,656 )
Other current assets		10,786	20,820
Other non-current assets		( 71,810 )	15,650
Net changes in liabilities related to operating activities			
Contract liabilities		( 378,720 )	( 23,693 )
Notes payable		1,003,074	1,022,791
Notes payable-related parties		( 69,942 )	122,993
Accounts payable		197,418	( 547,129 )
Accounts payable-related parties		( 123,217 )	( 283,780 )
Other payables		95,734	( 320,337 )
Other payables- related parties		11,791	( 1,440 )
Other current liabilities		( 36,788 )	( 19,175 )
Other non-current liabilities		( 3,608 )	3,610
Cash inflow generated from operations		1,207,141	1,903,015
Interests received		33,196	32,007
Interests paid		( 165,660 )	( 235,415 )
Income taxes paid		( 77,929 )	( 137,914 )
Net cash flow from operating activities		996,748	1,561,693

(Continued)

### Cash flow from investment activities

Financial assets measured by amortized cost		( \$	166,035 )	\$	4,315
Investment funds for acquisition of subsidiaries (net of cash acquired)	6(33)	(	19,811 )		-
Disposal of investment using equity method	6(8)		661,011		-
Dividends received from investments accounted for using equity method			75,082		65,100
Acquisition of property, plant and equipment	6(34)	(	1,720,664 )	(	1,847,686 )
Interest capitalized actual payment	6(28)&6(34)	(	29,676 )	(	46,710 )
Disposal of real estate, plant, equipment and right of use of assets prices			207,282		498,626
Acquisition of intangible assets	6(11)	(	30,954 )	(	72,015 )
Refundable deposits increase or decrease		(	272,315 )	(	517,020 )
Acquisition of right of use of assets			-	(	113,223 )
Net cash outflow from investment activities		(	1,296,080 )	(	2,028,613 )

### CASH FLOW FROM FINANCING ACTIVITIES

Decrease in short-term loans	6(35)	(	451,791 )	(	95,438 )
Decrease in other borrowing	6(35)		-	(	43,735 )
Lease principal repayment	6(35)	(	130,974 )	(	117,016 )
Borrow long-term loans			3,353,896		2,162,156
Repayment of long-term loans		(	2,219,729 )	(	3,426,827 )
Number of cash payments for syndicate loans organizing fees			-	(	7,057 )
Issuance of convertible bonds	6(16)		-		500,000
Repayment of convertible bonds			-	(	400,000 )
Distributed cash dividends	6(22)(35)	(	295,331 )	(	218,313 )
Subsidiary issues new shares	4(3)	(	29,030 )		-
Net cash inflow (outflow) from financing activities			-		1,081,542
Exchange rate change			227,041	(	564,688 )
Net increase (decrease) in cash and cash equivalents			100,808	(	158,921 )
Cash and cash equivalents, beginning of year	6(1)		28,517	(	1,190,529 )
Cash and cash equivalents, end of year	6(1)		3,387,938		4,578,467

Please refer to the accompanying notes, an integral part of the consolidated financial statements.

Chairman : Lin, Shang-Wei

General manager : Lin, Chi-Pin

Accounts supervisor : Huang Sheng-Wen





**【Attachment V】**

**Cayman Engley Industrial Co., Ltd.**

**DISTRIBUTION OF 2022 EARNINGS**

Unit: NT\$ thousands

Beginning retained earnings	\$ 623,646,532
Add: 2022 net profit after tax (note 1)	138,112,895
Less: Legal reserve (10%)	( 13,811,290)
Add: Special reserve (note 2)	<u>213,805,391</u>
Distributable net profit	\$ 961,753,528
Less: Distributable items	
Dividend to shareholders-Cash dividend (NT\$0.47 per share)	( <u>55,703,603</u> )
Unappropriated retained earnings	<u>\$ 906,049,925</u>

Notes

Note 1: The amount of employees' compensation distributed was NT\$ 70,592 accounting for 0.05% of the Company's pre-tax profit (The Company's Articles of Incorporation stipulate that the amount of employees' compensation shall not be lower than 0.05% of the pre-tax profit, and not exceed 8.00% of the pre-tax profit).

The amount of directors' compensation distributed was NT\$ 3,000,000 accounting for 2.12% of the Company's pre-tax profit (The Company's Articles of Incorporation stipulate that the amount of employees' compensation shall not be lower than 0.50% of the pre-tax profit, and not exceed 3.00% of the pre-tax profit).

Note 2: The 2022 special reserve was reversed of the credit balance of shareholder's equity-other equity items.

Chairman: Lin, Shang-Wei

General Manager: Lin, Chi-Pin

Accounting Supervisor: Huang, Sheng-wen

【Attachment VI】

**CAYMAN ENGLEIGH INDUSTRIAL CO., LTD.**  
**COMPARISON TABLE FOR AMENDMENTS TO MEMORANDUM AND ARTICLES OF ASSOCIATION**

Article No.	Current Memorandum and Articles of Association (adopted by resolution passed on 24 June 2022)	Proposed Amendments to Provisions of Memorandum and Articles of Association (anticipated to be adopted by special resolution passed on June 28 2023)	Explanations
34	Subject to the Law, in the event any of the resolutions with respect to the paragraph (a), (b), or (c) of Article 32 is adopted by general meeting, any Shareholder who has notified the Company in writing of his objection to such proposal prior to such meeting and subsequently raised his objection at the meeting may request the Company to purchase all of his Shares at the then prevailing fair price within twenty (20) days after the date of the resolution. In the event the Company fails to reach such agreement with the Shareholder within sixty (60) days after the date of the resolution, the Shareholder may, within thirty (30) days after such sixty (60)-day period, file a petition to any competent court of Taiwan for a ruling on the appraisal price, and, to the extent that the ruling is capable of enforcement and recognition outside Taiwan, such ruling by such Taiwan court shall be binding and conclusive as between the Company and requested Shareholder solely with respect to the appraisal price.	Subject to the Law, in the event any of the resolutions with respect to the paragraph (a), (b), or (c) of Article 32 <b><u>or Spin-off, Merger, Acquisition or share swap of the Company</u></b> is adopted by general meeting, any Shareholder who has <b><u>voted against such matter or forfeited his right to vote on such matter and expressed his dissent therefor, in writing or verbally (with a record) before or during the general meeting</u></b> may request <b><u>in writing</u></b> the Company to purchase all of his Shares at the then prevailing fair price <b><u>and specify the purchase price</u></b> within twenty (20) days after the date of the resolution. In the event the Company fails to reach such agreement with the Shareholder within sixty (60) days after the date of the resolution, <b><u>the Company shall apply to any competent court of Taiwan for a ruling on the fair price against all the dissenting shareholders as the opposing party within thirty (30) days after such sixty-day period, and Taiwan Taipei District Court may have the jurisdiction.</u></b> To the extent that the ruling is capable of enforcement and recognition outside Taiwan, such ruling by such Taiwan court shall be binding and conclusive as between the Company and requested Shareholder solely with respect to the appraisal price.	To revise paragraph 1 and add new paragraph 2 according to the "Checking List of Protecting Rights of Foreign Issuer's Shareholders in the Country of Registration" promulgated by a TSE announcement Tai-Zheng-Shan-Second-No. 1111704301 dated 9 January 2023 and to consolidate the original paragraphs 2 and 5 into paragraph 1..

Article No.	Current Memorandum and Articles of Association (adopted by resolution passed on 24 June 2022)	Proposed Amendments to Provisions of Memorandum and Articles of Association (anticipated to be adopted by special resolution passed on June 28 2023)	Explanations
	<p>Subject to the Law, in the event any part of the Company's business is Spun Off or involved in any Merger, Acquisition or share swap with any other company, the Shareholder, who has forfeited his right to vote on such matter and expressed his dissent therefor, in writing or verbally (with a record) before or during the general meeting, may request the Company to purchase all of his Shares in writing at the then prevailing fair price within twenty (20) days after the date of the resolution and specifies the price of the Shares to be repurchased.</p> <p>For the purpose of this Article 34, if the Company and any Shareholder reach an agreement about the price of the Shares to be repurchased by the Company, the Company shall pay for such agreed purchase price of Shares to be repurchased within ninety (90) days from the date of passing of the resolution by general meeting. In case no agreement as to the purchase price is reached, the Company shall pay the fair price as determined by the Company to such Shareholder within ninety (90) days from the date on which the resolution was adopted. If the Company fails to pay the agreed purchase</p>	<p><b><u>The number of shares held by the shareholders who forfeited his right to vote shall not be counted toward the number of votes represented by the Shareholders present at a general meeting.</u></b></p> <p><del>Subject to the Law, in the event any part of the Company's business is Spun Off or involved in any Merger, Acquisition or share swap with any other company, the Shareholder, who has forfeited his right to vote on such matter and expressed his dissent therefor, in writing or verbally (with a record) before or during the general meeting, may request the Company to purchase all of his Shares in writing at the then prevailing fair price within twenty (20) days after the date of the resolution and specifies the price of the Shares to be repurchased.</del></p> <p>For the purpose of this Article 34, if the Company and any Shareholder reach an agreement about the price of the Shares to be repurchased by the Company, the Company shall pay for such agreed purchase price of Shares to be repurchased within ninety (90) days from the date of passing of the resolution by general meeting. In case no agreement as to the purchase price is reached, the Company shall pay the fair price as determined by the Company to such Shareholder within ninety (90) days from the date on which the resolution was adopted. If the Company fails to pay the agreed purchase</p>	

Article No.	Current Memorandum and Articles of Association (adopted by resolution passed on 24 June 2022)	Proposed Amendments to Provisions of Memorandum and Articles of Association (anticipated to be adopted by special resolution passed on June 28 2023)	Explanations
	<p>price, the Company shall be deemed to agree to the price as requested by the Shareholder.</p> <p>For the Shareholder who requests the Company to purchase all of his Shares in accordance with the second paragraph, in the event the Company fails to reach such agreement with the Shareholder within sixty (60) days after the date on which the resolution was adopted, the Company shall apply to the court for a ruling on the fair price against all the dissenting shareholders as the opposing party within thirty (30) days after such sixty-day period, and Taiwan Taipei District Court has the jurisdiction.</p>	<p>price, the Company shall be deemed to agree to the price as requested by the Shareholder.</p> <p><del>For the Shareholder who requests the Company to purchase all of his Shares in accordance with the second paragraph, in the event the Company fails to reach such agreement with the Shareholder within sixty (60) days after the date on which the resolution was adopted, the Company shall apply to the court for a ruling on the fair price against all the dissenting shareholders as the opposing party within thirty (30) days after such sixty-day period, and Taiwan Taipei District Court has the jurisdiction.</del></p>	
107	<p>A Director who directly or indirectly has personal interest in the matter proposed at the meeting of the Board, including but not limited to a contract or proposed contract or arrangement with the Company shall disclose the nature of his or her personal interest at the meeting of the Board, if he or she knows his or her personal interest then exists, or in any other case at the first meeting of the Board after he or she knows that he or she is or has become so interested. For the purposes of this Article, a general notice to the Board by a Director to the effect that:</p> <p>(a) he is a member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made</p>	<p>A Director who directly or indirectly has personal interest in the matter proposed at the meeting of the Board, including but not limited to a contract or proposed contract or arrangement with the Company shall disclose the nature of his or her personal interest at the meeting of the Board, if he or she knows his or her personal interest then exists, or in any other case at the first meeting of the Board after he or she knows that he or she is or has become so interested. For the purposes of this Article, a general notice to the Board by a Director to the effect that:</p> <p>(a) he is a member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made</p>	<p>To revise according to the "Checking List of Protecting Rights of Foreign Issuer's Shareholders in the Country of Registration" promulgated by a TSE announcement Tai-Zheng-Shan-Second-No. 1111704301 dated 9 January 2023.</p>

Article No.	Current Memorandum and Articles of Association (adopted by resolution passed on 24 June 2022)	Proposed Amendments to Provisions of Memorandum and Articles of Association (anticipated to be adopted by special resolution passed on June 28 2023)	Explanations
	<p>with that company or firm; or</p> <p>(b) he is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with a specified person who is connected with him;</p> <p>shall be deemed to be a sufficient disclosure of personal interest under this Article in relation to any such contract or arrangement, provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.</p> <p>To the extent required by Applicable Listing Rules, a Director may not vote for himself or on behalf of other Director in respect to any matter, including but not limited to any contract or proposed contract or arrangement or contemplated transaction of the Company, in which such Director bears a personal interest (whether directly or indirectly) which may conflict with and impair the interest of the Company. Any votes cast by or on behalf of such Director in contravention of the foregoing shall not be counted by the Company, but such Director shall be counted in the quorum for purposes of convening such meeting.</p> <p>Notwithstanding the first paragraph of this Article, if any</p>	<p>with that company or firm; or</p> <p>(b) he is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with a specified person who is connected with him;</p> <p>shall be deemed to be a sufficient disclosure of personal interest under this Article in relation to any such contract or arrangement, provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.</p> <p>To the extent required by Applicable Listing Rules, a Director may not vote for himself or on behalf of other Director in respect to any matter, including but not limited to any contract or proposed contract or arrangement or contemplated transaction of the Company, in which such Director bears a personal interest (whether directly or indirectly) which may conflict with and impair the interest of the Company. Any votes cast by or on behalf of such Director in contravention of the foregoing shall not be counted by the Company, but such Director shall be counted in the quorum for purposes of convening such meeting.</p> <p>Notwithstanding the first paragraph of this Article, if any</p>	

Article No.	Current Memorandum and Articles of Association (adopted by resolution passed on 24 June 2022)	Proposed Amendments to Provisions of Memorandum and Articles of Association (anticipated to be adopted by special resolution passed on June 28 2023)	Explanations
	<p>Director has personal interest (whether directly or indirectly) in matters on agenda for the Board meeting, such Director shall disclose and explain the material information or contents on such personal interest at the same Board meeting; before the Company adopts any resolution of Merger, Acquisition, Spin-off or share swap, a Director who has a personal interest in the transaction of Merger, Acquisition, Spin-off or share swap shall declare such interest to the Board at the Board meeting and to the shareholders at the general meeting the essential contents of such personal interest and the reasons that the relevant resolution shall be approved or dissented.</p> <p>In the case that a Director's spouse, a blood relative within second degree of kinship or a company which has parent-subsidiary relationship with the Director has personal interest in a matter on agenda for the Board meeting, such Director shall be deemed to have personal interest in that matter.</p>	<p>Director has personal interest (whether directly or indirectly) in matters on agenda for the Board meeting, such Director shall disclose and explain the material information or contents on such personal interest at the same Board meeting; before the Company adopts any resolution of Merger, Acquisition, Spin-off or share swap, a Director who has a personal interest in the transaction of Merger, Acquisition, Spin-off or share swap shall declare such interest to the Board at the Board meeting and to the shareholders at the general meeting the essential contents of such personal interest and the reasons that the relevant resolution shall be approved or dissented. <b><u>The Company shall also elaborate the essential contents of the Director's personal interest and the reason for approving or dissenting the resolution of the Acquisition in the reasons for convening this general meeting; such content shall be published on a website designated by the Taiwan securities competent authorities or the Company, and the URL of such website shall be specified on the general meeting notice.</u></b></p> <p>In the case that a Director's spouse, a blood relative within second degree of kinship or a company which has parent-subsidiary relationship with the Director has personal interest in a matter on agenda for the Board meeting, such Director shall be deemed to have personal interest in that matter.</p>	

**【Attachment IIV】****CAYMAN ENGLEIGH INDUSTRIAL CO., LTD.****Comparison Table for the “PROCEDURAL RULES OF GENERAL MEETINGS”  
Before and After Revision**

<b>AFTER THE REVISION</b>	<b>BEFORE THE REVISION</b>	<b>Explanation</b>
Article 2-1 Paragraph 3 3.To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified. <u>Except for the circumstances stipulated in Item 6, Article 44-9, of the Regulations Governing the Administration of Shareholder Services of Public Companies, at least shareholders shall be provided with connection equipment and necessary assistance, and the period during which shareholders may apply to the company and other relevant notices shall be specified.</u>	Article 2-1 Paragraph 3 3.To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.	1. Revised according to the XXX Co., Ltd. Rules of Procedure for Shareholders Meetings by Taiwan Stock Exchange on March 17, 2023.
Article 7 Subject to the Applicable Listing Rules, the Chairman, if any, of the Board of the Directors shall preside as chairman at every general meeting of the Company convened by the Board of the Directors. In case the Chairman is on leave or absent or can not exercise his/her	Article 7 Subject to the Applicable Listing Rules, the Chairman, if any, of the Board of the Directors shall preside as chairman at every general meeting of the Company convened by the Board of the Directors. In case the Chairman is on leave or absent or can not exercise his/her	1. Revised according to the XXX Co., Ltd. Rules of Procedure for Shareholders Meetings by Taiwan Stock Exchange on March 17, 2023.

AFTER THE REVISION	BEFORE THE REVISION	Explanation
<p>power and authority for any cause, he/she shall designate one of the other Directors to act on his/her behalf. In the absence of such a designation, the Directors shall elect from among themselves an acting chairman for the meeting.</p> <p><u>Unless otherwise stipulated in the " Regulations Governing the Administration of Shareholder Services of Public Companies ", the company shall convene a virtual shareholders meeting, which shall be specified in the articles of association and shall be resolved by the board of directors. and a resolution approved by more than half of the directors present.</u></p> <p>(Excerpt)</p>	<p>power and authority for any cause, he/she shall designate one of the other Directors to act on his/her behalf. In the absence of such a designation, the Directors shall elect from among themselves an acting chairman for the meeting.</p> <p>(Excerpt)</p>	
<p>Article 22</p> <p>When convening a virtual-only shareholders meeting, this Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</p> <p><u>Except for the circumstances stipulated in Item 6, Article 44-9, of the Regulations Governing the Administration of Shareholder Services of Public Companies, at least shareholders shall be provided</u></p>	<p>Article 22</p> <p>When convening a virtual-only shareholders meeting, this Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</p>	<p>1. Revised according to the XXX Co., Ltd. Rules of Procedure for Shareholders Meetings by Taiwan Stock Exchange on March 17, 2023.</p>



<b>AFTER THE REVISION</b>	<b>BEFORE THE REVISION</b>	<b>Explanation</b>
<u>with connection equipment and necessary assistance, and the period during which shareholders may apply to the company and other relevant notices shall be specified.</u>		

**【Attachment VIII】****CAYMAN ENGLELY INDUSTRIAL CO., LTD.****Lifting the non-compete list of directors**

No.	Directors	Current Positions at the Company and Other Companies
1.	Top-Gain Enterprises Ltd. Representative: Lin, Shang-Wei	1. Chairman, Changchun Engley Automobile Industry Co., Ltd. 2. Chairman, Changchun Engley Auto Parts Co., Ltd. 3. Chairman, Suzhou Engley Auto Part Co., Ltd. 4. Chairman, Chengdu Engley Auto part Co., Ltd. 5. Executive Director, Foshan Engley Auto Part Co., Ltd. 6. Director, Changsha Engley Auto Part Co., Ltd. 7. General Manager, Yizheng Engley Auto Part Co., Ltd. 8. Executive Director, Tsingtao Engley Auto Part Co., Ltd. 9. Executive Director & General Manager, Liaoning Engley Auto Part Co., Ltd. 10. Executive Director & Manager, Ningbo Engley Automobile Industry Co., Ltd 11. Chairman, Ningbo Maoxiang Material Co., Ltd. (China) 12. Executive Director, Taizhou Maoqi Metal Co., Ltd. (China) 13. Executive Director, Tianjin Engley Manufacturing Co., Ltd. 14. Chairman, Linde+Engley (Changchun) Auto Parts Co., Ltd. 15. Chairman, Linde+Engley (Tianjin) Auto Parts Co., Ltd. 16. Executive Director, Changchun CECK Auto. Parts Co., Ltd. 17. Executive Director, Shanghai Honghan Engley Auto Part Co., Ltd. 18. Executive Director, Changchun Honghan Engley Aluminum Co., Ltd. 19. Director, Zhejiang Sanse Mold Technology Co., Ltd 20. Chairman, Engley Holding(Samoa) Limited 21. Chairman, Engley Precision Industry B.V.