

Tze Shin International Co., Ltd.

Minutes of 2025 Annual Shareholders' Meeting

Type of Meeting: Physical Meeting

Time: June 20, 2025 (Friday) at 9:00 am.

Place: No. 83, Sec. 3, Civic Blvd., Zhongshan Dist., Taipei City, Taiwan
(MIRAMAR GARDEN HOTEL TAIPEI 2F)

Attendance: The total number of shares represented by shareholders and proxies present was 129,822,975 shares (among them 81,497,946 shares of voting rights were exercised by electronic means), accounting for 68.68% of the total 189,002,272 shares issued by the Company.

Directors in attendance: Durban Development Co., Ltd. Representative: Chun-Fa Huang, TienPin Development Co., Ltd. Representative: Ming-Tan Hsu, TienPin Development Co., Ltd. Representative: Wei-Te Hsu, Independent Director: Sheng-Yu Liang (Convener of the Audit Committee), four directors attended in person. (exceeding half of the total number of the Company's directors which is seven)

Other attendees: Shr-Shiuan Chiou, Manager ; Jui- Yuan Chiu, Lawyer

Chairperson: Chairman Chun-Fa Huang

Minutes Taker: Zong-Yu Wu

I. Call the Meeting to Order

II. Chairperson's Remarks: Omitted

III. Matters to be Reported:

(I) 2024 Business Report. (See Attachments)

(II) 2024 Audit Committee Report. (See Attachments)

(III) Report on distribution of 2024 director and employee remuneration.

1. Article 27 of the Articles of Incorporation states that if the Company has any profits for any fiscal year, it shall allocate 1% to 5% as employee remuneration and no more than 3% as director remuneration. The distribution of employee and director remuneration shall be made by the board of directors with the resolution of more than two-thirds of the directors present and the approval of more than half of the directors present, which shall be submitted to the shareholders' meeting.

2. According to the above provisions, 2% of employee remuneration and 1.5% of director remuneration shall be allocated, the 2024 distribution of remuneration to employees and directors is NT\$6,440,627 and NT\$4,830,471, respectively. There is no difference between the amount and the amount of expenses recognized in 2024. Both were distributed in cash to the Company's directors (excluding independent directors) and employees (including managers).

(IV) Report on 2024 Distribution of Earnings as Cash Dividends.

1. According to the Company's Articles of Incorporation, when dividends are paid in the form of cash, the Board of Directors is authorized to do so with the approval of a majority of directors attending the meeting and at least two-thirds of the directors are present voting to approve the resolution, and the matter shall be reported to the shareholders' meeting.
2. The Company's Board of Directors resolved on March 11, 2025 to distribute cash dividends of NT\$1.64 per share from the distributable earnings, totaling NT\$309,963,730. Cash dividends shall be rounded down to the nearest NTD, and the fraction less than NTD 1 distributed shall be included in the Company's other income.
3. The cash dividend distribution was approved by the Board of Directors on May 14, 2025; it is proposed to set July 2, 2025 as the ex-dividend trading date, July 8, 2025 as the ex-dividend base date, and July 31, 2025 as the cash dividend date. If there is any change in the date of dividend distribution, it is intended to authorize the chairman to handle such matters.

(V) Other reporting topics.

2024 Report on Receipt of Directors' Remuneration

1. Remuneration payment policies, criteria and composition of profit sharing from earnings, procedures to determine profit sharing from earnings, and their interrelations with business performance and future risks:

Item	Explanation
Remuneration policies, standards and packages	I. Fixed expenses of traveling and attendance: Based on the provisions of Article 16-1 of the "Articles of Incorporation", according to their respective engagement of participation in operation and contribution of individual directors and in consideration of the general market conditions of the industry, directors (including independent directors) will be paid with traveling expenses (also applicable to independent directors), and directors (including independent directors) have not been paid with variable remuneration. Directors who concurrently act as managerial officers shall also be handled in accordance with the regulations on remuneration of managerial officers.

Item	Explanation
	<p>II. Remuneration for directors: According to Article 27 of the “Articles of Incorporation”, if there is any profit in a particular year, no more than 3% of such profit shall be distributed as remuneration for directors., which is not applicable to independent directors.</p>
Procedures for determining remuneration	<p>I. Based on the survey results of directors’ remuneration among the industry at the end of each year and the evaluation results carried out in accordance with the “Guidelines for Assessment of Performance of Board of Directors”.</p> <p>II. The results of self-assessment of performance of the board of directors, director members and members of each functional committee all reach good and excellent standards. The assessment items include: 1. Engagement in the Company’s operations, 2. Decision-making quality, 3. Responsibility awareness, 4. Continuous education, and 5. Internal control, etc., and only fixed expenses for traveling and attendance will be issued according to the self-assessment results.</p> <p>III. The relevant performance assessment and remuneration rationality of the Company’s directors are regularly evaluated and reviewed by the Remuneration Committee and the board of directors every year. In addition to referring to the individual’s performance achievement rate and contribution to the Company, the Company’s overall operating performance and future risks of the industry, and development trends are also taken into account when reviewing the remuneration system from time to time depending on the actual operating conditions and relevant laws and regulations. Further, after overall consideration of the current corporate governance trend, reasonable remuneration will be distributed to achieve a balance between the Company’s sustainable operation and risk control.</p> <p>IV. The actual amount of the director’s remuneration distributed shall be determined by the board’s meeting after deliberation by the Remuneration Committee.</p>
Correlation with business performance and future risks	<p>The review of payment standards and systems related to the Company’s remuneration policies is based on the Company’s overall operating conditions as the major consideration. Among the directors’ remuneration, only the director’s remuneration is based on Article 27 of the “Articles of Incorporation”, which stipulates that “If the Company has any profits for any fiscal year, it shall allocate no more than 3% as director remuneration”, which is distributed according to a fixed number of weights and shall have a certain correlation with operating performance, but the level of such correlation in terms of risk of future operation is relatively low.</p>

2. Remuneration for directors:

Unit: NT\$ thousand

Title	Name	Profit sharing from earnings for directors								Percentage of the sum of A to D in net profit after tax		Profit sharing from earnings for directors who are concurrently employees								Percentage of the sum of A to G in the net profit after tax		Related profit sharing from earnings from investees other than remuneration from the subsidiaries or the parent company
		Remuneration (A)		Severance Pay/Retirement Allowance (B)		Remuneration of directors (C)		Business execution expenses (D)				Salaries, bonuses, and special expenses (E)		Severance Pay/Retirement Allowance (F)		Remuneration to employees (G)						
		The company	All firms disclosed in the financial statements	The company	All firms disclosed in the financial statements	The company	All firms disclosed in the financial statements	The company	All firms disclosed in the financial statements	The company	All firms disclosed in the financial statements	The company	All firms disclosed in the financial statements	The company	All firms disclosed in the financial statements	The company		All firms disclosed in the financial statements		The company	All firms disclosed in the financial statements	
Chairman	Durban Development Co., Ltd.	0	0	0	0	2,635	2,635	0	0	2,635 0.85	2,635 0.85	0	0	0	0	0	0	0	0	2,635 0.85	2,635 0.85	None
	Representative: Chun-Fa Huang	0	0	0	0	0	0	180	180	180 0.06	180 0.06	1,431	1,431	0	0	895	0	895	0	2,506 0.81	2,506 0.81	8,778
	Representative: Chun-Tsao Huang	0	0	0	0	0	0	180	240	180 0.06	240 0.08	0	0	0	0	0	0	0	0	180 0.06	240 0.08	160
Vice Chairman	TienPin Development Co., Ltd.	0	0	0	0	2,195	2,195	0	0	2,195 0.71	2,195 0.71	0	0	0	0	0	0	0	0	2,195 0.71	2,195 0.71	None
	Representative: Ming-Tan Hsu	0	0	0	0	0	0	180	480	180 0.06	480 0.15	1,380	1,709	0	0	1,522	0	1,522	0	3,082 0.99	3,711 1.20	None
	Representative: Wei-Te Hsu	0	0	0	0	0	0	180	420	180 0.06	420 0.14	0	0	0	0	0	0	0	0	180 0.06	420 0.14	None
Independent Director	Sheng-Yu Liang	0	0	0	0	0	0	395	395	395 0.13	395 0.13	0	0	0	0	0	0	0	0	395 0.13	395 0.13	None
Independent Director	Chui-Ming Peng	0	0	0	0	0	0	350	350	350 0.11	350 0.11	0	0	0	0	0	0	0	0	350 0.11	350 0.11	None
Independent Director	Jui-Hsiang Huang	0	0	0	0	0	0	320	320	320 0.10	320 0.10	0	0	0	0	0	0	0	0	320 0.10	320 0.10	None

1. The parent company net income after tax for 2024 was NT\$310,373 thousand, and the Company's directors' remuneration accounted for 2.1313% of the net profit after tax.
2. Except as disclosed in the above Table, the remuneration received by the directors of the Company in the most recent year for providing services (such as serving as a non-employee consultant of the parent company/all companies in the financial report/reinvested business, etc.): 0.

IV. Ratification Topics:

Motion 1

[Proposal from Board of Directors]

Subject: Present the Company's 2024 business report and financial report for ratification.

Description:

- I. The Company's 2024 annual parent only financial report and consolidated financial report (see Attachments) have been audited by CPAs Han-Ni Fang and Chao-Yu Chen from Deloitte & Touche.
- II. The above-mentioned financial report and business report (see Attachments) have been reviewed and completed by the Audit Committee.
- III. Please ratify.

Resolution: The shareholders present had a total of 126,603,201 votes in voting rights, and the motion was passed.

Voting Result	% of Attending Shareholders' Votes
Approval Votes: 124,286,945 (Including Electronic Votes: 79,189,591)	98.17%
Disapproval Votes: 164,411 (Including Electronic Votes: 164,411)	0.12%
Abstention Votes/No Votes: 2,151,845 (Including Electronic Votes: 2,143,944)	1.69%
Invalid Votes: 0	0.00%

Motion 2

[Proposal from Board of Directors]

Subject: The Company's 2024 proposal for recognition of earnings distribution.

Description:

- I. The Company's undistributed earnings at the beginning of the period amounted to NT\$149,738,715. After the addition of NT\$30,725,319 of accumulated gain on disposal of equity investment measured through other comprehensive income transferred to retained earnings, and the adjustment of retained earnings of NT\$1,272,984 due to investments under the equity method, the increase in the remeasurement of the defined benefit plan was recognized in the retained earnings for NT\$1,697,745; the 2024 net income after tax was NT\$310,373,350, and the legal reserve allocated was NT\$34,406,940; the earnings available for current distribution were NT\$459,401,173; proposed distribution of shareholders' dividends in accordance with the Company's Articles of Incorporation: Cash dividends - NT\$1.64 per share, totaling NT\$309,963,730. (See Attachments).

- II. The cash dividends are distributed proportionately to the nearest NTD, and the fraction less than NTD 1 will be recognized as the Company's other income.
- III. According to the Company's Articles of Incorporation, when dividends are paid in the form of cash, the Board of Directors is authorized to do so with the approval of a majority of directors attending the meeting and at least two-thirds of the directors are present voting to approve the resolution, and the matter shall be reported to the shareholders' meeting.
- IV. The ex-dividend record date and dividend payment date, or if the number of outstanding shares is affected as a result of the repurchase or cancellation of the Company's treasury shares, the Board of Directors is authorized to determine and announce the changes in the dividend rate to shareholders.
- V. Please ratify.

Resolution: The shareholders present had a total of 126,603,201 votes in voting rights, and the motion was passed.

Voting Result	% of Attending Shareholders' Votes
Approval Votes: 124,287,107 (Including Electronic Votes: 79,189,753)	98.17%
Disapproval Votes: 165,581 (Including Electronic Votes: 165,581)	0.13%
Abstention Votes/No Votes: 2,150,513 (Including Electronic Votes: 2,142,612)	1.69%
Invalid Votes: 0	0.00%

V. Discussion Topics:

Motion 1

[Proposal from Board of Directors]

Subject: Submit the amendment to the Articles of Incorporation for discussion.

Description:

- I. In accordance with Article 14, Paragraph 6 of the Securities and Exchange Act, the Company shall stipulate in its Articles of Incorporation that a certain percentage of annual profits shall be used to adjust the salaries or distribute remuneration to entry-level employees. The Company intends to amend some provisions of the Articles of Incorporation. Please refer to the comparison table before and after amendment for the amended content. (See Attachments)
- II. Please discuss.

Resolution: The shareholders present had a total of 126,603,201 votes in voting rights, and the motion was passed.

Voting Result	% of Attending Shareholders' Votes
Approval Votes: 124,284,202 (Including Electronic Votes: 79,186,848)	98.16%
Disapproval Votes: 168,520 (Including Electronic Votes: 168,520)	0.13%
Abstention Votes/No Votes: 2,150,479 (Including Electronic Votes: 2,142,578)	1.69%
Invalid Votes: 0	0.00%

Motion 2

[Proposal from Board of Directors]

Subject: Submit the plan to sell Taipei City Zhongshan District office for discussion.

Description:

- I. In order to revitalize assets and enrich working capital, the Company plans to sell the 12th floor office located at No. 33, Section 2, Jianguo North Road, Zhongshan District, Taipei City. The building area of this case is 371.18 square meters (including 3 parking spaces on the second underground floor of 32.9 square meters), and the land area is 30.3831 square meters.
- II. This case proposes to ask the shareholders' meeting to authorize the Board of Directors to handle related matters in accordance with the Company's "Regulations Governing the Acquisition and Disposal of Assets by Public Companies".
- III. Please discuss.

Resolution: The shareholders present had a total of 126,603,201 votes in voting rights, and the motion was passed.

Voting Result	% of Attending Shareholders' Votes
Approval Votes: 124,041,511 (Including Electronic Votes: 78,944,157)	97.97%
Disapproval Votes: 410,938 (Including Electronic Votes: 410,938)	0.32%
Abstention Votes/No Votes: 2,150,752 (Including Electronic Votes: 2,142,851)	1.69%
Invalid Votes: 0	0.00%

VI. Extraordinary Motions None.

VII. Adjournment The chair declares meeting adjourned. (9:20am on the same day)

(There were no questions raised by the shareholders at this AGM.)

This translated document of the Chinese text is for reference only. If there is any discrepancy between the English version and the Chinese version, the Chinese version prevails.

Attachments

Tze Shin International Co., Ltd.

Business Report

1. 2024 Business Report

With the easing of global inflation, end-user demand has gradually recovered. In addition, the demand for application of innovative technologies such as artificial intelligence (AI) continues to rise, and international trade has shown signs of revival. The global economy is on the path of moderate expansion. However, heightened geopolitical tensions and future trends in US trade and economic policy could increase uncertainty regarding global economic prospects. Moreover, the occurrence of frequent extreme weather events has caused damage to global infrastructure, agriculture, and manufacturing, leading to shutdowns at critical nodes and logistics hubs in the global supply chain, shortages of essential products, and disruptions to global production and consumption. As a result, companies have increased their efforts to establish backup or alternative supply chains, which in turn has raised production costs.

In terms of the domestic economy, benefiting from a stable global economy and continued expansion in demand for technologies such as artificial intelligence (AI), along with favorable factors such as the year-end peak season, Taiwan's total annual exports reached US\$475.07 billion, marking the second highest in history. Exports in December increased by 9.2% year-on-year, representing 14 consecutive months of positive growth. Export orders for December increased by 20.8% year-on-year, achieving 10 straight months of growth. While international geopolitical tensions and the trade policy direction of the new US administration remain highly uncertain, with inflation easing and major economies lowering interest rates, global trade is expected to expand steadily. In addition, robust business opportunities driven by emerging applications such as AI, and the domestic semiconductor industry's strengths in advanced processes and high-end production capacity, are expected to support Taiwan's stable export growth. In the food and beverage sector, demand for dining out increased due to festive gatherings and large-scale entertainment events. With an earlier Lunar New Year this year, year-end banquets and holiday product sales began ahead of schedule. The annual revenue of the food and beverage industry reached NT \$1.378 trillion, setting a new record with an annual growth rate of 3.6%. The full-year economic growth rate was 3.94%.

In response to changes in the overall business environment, the Company has adjusted its operating strategies in a timely manner to strengthen its core competitiveness. Upholding the management principles of "Pursuit of Excellence and Sustainable Operation" and "Integrity First, Service Above All", the Company is committed to providing customers with "Safe, Swift, and Reliable" inland transportation and related operational services, implementing safety policies, and leading employees toward collective growth. In terms of its hospitality operations, Miramar Garden Taipei continues to deliver high-quality business travel services to generate profit for the Company's shareholders. At the same time, it is actively

cultivating hospitality talent and adjusting its organizational structure based on operating conditions to align with brand development strategies.

For 2024, the operating revenue was NT\$687,138 thousand, an increase of NT\$69,811 thousand compared with NT\$617,327 thousand in the previous year, and the rate of increase was 11%; the operating loss was NT\$16,543 thousand, a decrease of NT\$31,404 thousand from the net operating loss of NT\$47,947 thousand in the previous year; net income was NT\$327,460 thousand, a decrease of NT\$148,371 thousand or 31% from the net income after tax of NT\$475,831 thousand in the previous year.

2. 2025 Business Plan Overview

As major global economies enter an interest rate cut cycle, end-market demand is expected to rebound. Coupled with the continued strong demand for emerging technologies such as AI, traditional industries are also expected to gradually recover, which will likely boost Taiwan's export and production momentum. Furthermore, private investment is expanding due to semiconductor capacity expansion and the net-zero transition. International industry leaders continue to increase investments in Taiwan, and with the labor market and domestic consumption remaining stable, along with easing inflation expectations, Taiwan's economy is expected to maintain steady growth, with the domestic GDP growth rate projected to range between 2.50% and 3.42%.

In 2025, the Company's construction projects in Zhunan Township, Miaoli County, are expected to be completed on schedule. At the same time, the Company continues to prudently assess suitable new projects for planning and development, actively striving to achieve strong operational performance. In addition, the Company combines the cross-industry experience and resources of related companies to implement corporate social responsibility, pay attention to sustainable development of the green energy and ESG issues, strengthen sustainable competitiveness, and create group synergies with a diversified business model, which will create greater benefits for the Company's shareholders in the best interest of all, and thank you for your long-term support and encouragement.

Chairman:
Chun-Fa Huang

Managerial Officer:
Hsiu-Chi Chen

Head-Finance &
Accounting: Ya-Ling Lin

Audit Committee Report

It is hereby certified that

The 2024 business report, parent company only financial report, consolidated financial report, and proposal for appropriation for earnings distribution submitted by the board of directors, among which the financial report have been audited by CPAs Han-Ni Fang and Chao-Yu Chen from Deloitte & Touche, and an audit report has been issued. The above-mentioned documents have been reviewed by the Audit Committee, and it is confirmed that there is no discrepancy. Hence a report is prepared in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act for review.

For

2025 Shareholders' Meeting of Tze Shin International Co., Ltd.

Tze Shin International Co., Ltd.

Convener of the Audit Committee

Sheng-Yu Liang

March 11, 2025

Independent Auditors' Report

Shareholders and the Board of Directors of Tze Shin International Co., Ltd.,

Audit opinions

We have audited the accompanying parent company only balance sheets of Tze Shin International Co., Ltd. (the "Company") as of December 31, 2024 and 2023 and the relevant parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and relevant notes to the parent company only 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 Group 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.

Basis for the audit opinion

We conducted the audit in accordance with the Regulations Governing the Audit of Financial Statements and Auditing Standards. Our responsibility under those standards is further described in the section of "Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements." 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. Based on our audit results, we believe that sufficient and appropriate audit evidence has been obtained in order to serve as the basis for expressing the audit opinion.

Key audit matters

Key audit matters are those, in our professional judgment, the most significant matters in the audit of the 2024 annual parent company only financial statements of the Company. These matters were addressed in our audit of the parent company only financial statements as a whole, and in forming our audit opinion. We do not provide a separate opinion on these matters.

Key audit matters for the parent company only financial statements for the year ended December 31, 2024 are stated as follows:

Generation of operating revenue (including operating revenue of subsidiaries invested under the equity method)

Operating revenue is a matter of great concern to the management and investors. The operating income of the Company and its subsidiaries mainly comes from transportation services and the operation of international tourist hotels, and the extent of the provision of labor services and the terms of collection of the transportation revenues are more complex than those of the hotel business, among which transportation income accounts for 50% and hence significantly impacts the financial statements of the Company for this year. Therefore, we listed whether the transportation revenue actually occurred as a key verification item during the audit this year.

We have implemented the main verification procedures for the above key verification items as follows:

1. Understand and test the design and implementation effectiveness of internal controls related to the occurrence of transportation revenue recognition.
2. Select samples from the transportation revenue in 2024, carry out detailed verification tests, check the transaction vouchers and the subsequent payment situation, and confirm the occurrence of transportation revenue recognition.

3. Send the official letter to confirm the balance of the accounts receivable at the end of the year, and implement alternative procedures for those who fail to receive the confirmation reply in time, including checking transaction vouchers and observing the collection status after the period.

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

Management is responsible for the preparation and fair representation of the parent company only financial statements in accordance with 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 parent company only financial statements free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, the management is responsible for assessing the ability of the Company in continuing as a going concern, disclosing relevant matters, and adopting the going concern basis of accounting unless the management intends to liquidate the Company or cease the operations without other viable alternatives.

The governing body of the Company (including the Audit Committee) is responsible for supervising the financial reporting process.

Auditor's responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance on whether the parent company only financial statements as a whole are free from material misstatement arising from fraud or error, and to issue an independent auditors' report. Reasonable assurance is a high-level assurance but is not a guarantee that an audit conducted in accordance with the auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. If the amounts of misstatements, either separately or in aggregate, could reasonably be expected to influence the economic decisions of the users of the parent company only financial statements, they are considered material.

We have utilized our professional judgment and maintained professional doubt when performing the audit work in accordance with the auditing standards in the Republic of China. We also perform the following tasks:

1. Identify and assess the risks of material misstatement arising from fraud or error within the parent company only financial statements; design and execute countermeasures in response to said risks, and obtain sufficient and appropriate audit evidence to provide a basis of our opinion. Fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Therefore, the risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error.
2. Understand the internal control related to the audit in order to design appropriate audit procedures under the circumstances, while not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies adopted and the reasonableness of accounting estimates and relevant disclosures made by the management.
4. Conclude on the appropriateness of the management's adoption of the going concern basis of accounting based on the audit evidence obtained and whether a material uncertainty exists for events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we are of the opinion that a material uncertainty exists, we shall remind users of the parent company only financial statements to pay attention to relevant disclosures in said statements within our audit report. If such disclosures are inadequate, we need to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure, and content of the parent company only financial statements (including relevant notes), and whether the parent company only financial statements adequately present the relevant transactions and events.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities within the Company to express an opinion on the parent company only financial statements. We are responsible for guiding, supervising, and performing the audit and forming an audit opinion on the Company.

The matters communicated between us and the governing body include the planned scope and times of the audit and significant audit findings (including any significant deficiencies in internal control identified during the audit).

We also provided the governing body with a declaration that we have complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China regarding independence, and communicated with them all relationships and other matters that may possibly be regarded as detrimental to our independence (including relevant protective measures).

From the matters communicated with the governing body, we determined the key audit matters for the audit of the Company's parent company only financial statements for the year ended December 31, 2024. We have clearly indicated such matters in the auditors' report unless legal regulations prohibit the public disclosure of specific matters, or in extremely rare cases, we decided not to communicate over specific items in the auditors' report, for it could be reasonably anticipated that the negative effects of such disclosure would be greater than the public interest it brings forth.

Deloitte & Touche

CPA Han-Ni Fang

CPA Chao-Yu Chen

Approval reference No. of Financial Supervisory
Commission

Jin-Guan-Zheng-Shen-Zi No.1090347472

Approval reference No. of Financial Supervisory
Commission

Jin-Guan-Zheng-Shen-Zi No.1110348898

March 11, 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.

Tze Shin International Co., Ltd.
Parent Only Balance Sheets
December 31, 2024 and 2023

Unit: NT\$ thousand

Code	Assets	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	Current assets				
1100	Cash (Notes 4 and 6)	\$ 914,743	27	\$ 594,515	19
1110	Financial assets at fair value through profit or loss - current (Notes 4, 7 and 29)	1,056,567	31	1,107,024	36
1120	Financial assets measured at fair values through other comprehensive income - current (Notes 4, 8 and 29)	101,660	3	147,000	5
1136	Financial assets measured at amortized cost - current (Notes 4, 9 and 29)	50	-	50	-
1150	Net notes receivable (Notes 4, 10, 20 and 26)	24,620	1	70,000	2
1200	Net other receivables (Notes 4 and 10)	242	-	24,827	1
1210	Other receivables - related parties (Notes 4, 12 and 26)	62	-	8	-
1220	Current income tax assets (Notes 4 and 22)	1,093	-	837	-
1310	Net inventory (Notes 4 and 11)	381,561	11	185,410	6
1479	Other current assets	16,957	-	15,415	1
11XX	Total current assets	<u>2,497,555</u>	<u>73</u>	<u>2,145,086</u>	<u>70</u>
	Non-current assets				
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	258,336	7	213,898	7
1550	Investment under equity method (Notes 4, 5 and 12)	400,793	12	342,109	11
1600	Property, plant and equipment (Notes 4, 13 and 27)	167,784	5	168,660	6
1755	Right-of-use assets (Notes 3, 4 and 14)	1,838	-	6,159	-
1760	Investment property (Notes 4 and 15)	30,026	1	30,026	1
1780	Intangible assets (Note 4)	201	-	84	-
1840	Deferred income tax assets (Notes 4 and 22)	66,636	2	67,468	2
1920	Refundable deposits	641	-	80,699	3
1990	Other non-current assets — other	1,038	-	-	-
15XX	Total non-current assets	<u>927,293</u>	<u>27</u>	<u>909,103</u>	<u>30</u>
1XXX	Total assets	<u>\$ 3,424,848</u>	<u>100</u>	<u>\$ 3,054,189</u>	<u>100</u>
	Financial liabilities and equity				
	Current liabilities				
2130	Contract liabilities - current (Note 20)	\$ 31,139	1	\$ -	-
2170	Accounts payable	29,263	1	18,128	1
2200	Other payables (Note 17)	116,026	3	22,048	1
2220	Other payables - related parties (Note 26)	-	-	389	-
2280	Lease liabilities - current (Notes 3, 4 and 14)	355	-	3,003	-
2399	Other current liabilities	3,245	-	3,695	-
21XX	Total current liabilities	<u>180,028</u>	<u>5</u>	<u>47,263</u>	<u>2</u>
	Non-current liabilities				
2540	Long-term borrowings (Note 16)	272,177	8	-	-
2580	Lease liabilities - non-current (Notes 3, 4 and 14)	1,485	-	-	-
2640	Net defined benefit liabilities (Notes 4 and 18)	3,784	-	5,621	-
2645	Guarantee deposits	160	-	225	-
25XX	Total non-current liabilities	<u>277,606</u>	<u>8</u>	<u>5,846</u>	<u>-</u>
2XXX	Total liabilities	<u>457,634</u>	<u>13</u>	<u>53,109</u>	<u>2</u>
	Equity				
3110	Ordinary shares	1,890,023	55	1,890,023	62
3200	Capital reserve	40,980	1	20,886	-
	Retained earnings				
3310	Legal reserve	357,621	11	309,697	10
3350	Unappropriated earnings	493,808	14	632,367	21
3300	Total retained earnings	851,429	25	942,064	31
3400	Other equity	184,782	6	148,107	5
3XXX	Total Equity	<u>2,967,214</u>	<u>87</u>	<u>3,001,080</u>	<u>98</u>
	Total liabilities and equity	<u>\$ 3,424,848</u>	<u>100</u>	<u>\$ 3,054,189</u>	<u>100</u>

The accompanying notes form an integral part of the parent company only financial statements.

Chairman: Chun-Fa Huang

Manager: Hsiu-Chi Chen

Head of Accounting: Ya-Ling Lin

Tze Shin International Co., Ltd.
Parent Only Statement of Comprehensive Income
January 1 to December 31, 2024 and 2023

Unit: NT\$ thousand
Earnings per share NT\$

Code		2024		2023	
		Amount	%	Amount	%
4000	Net operating revenue (Notes 4, 20 and 26)	\$ 11,599	100	\$ 29,277	100
5000	Operating cost (Notes 11, 21 and 26)	<u>13,203</u>	<u>114</u>	<u>24,013</u>	<u>82</u>
5950	Operating gross profit (loss)	(<u>1,604</u>)	(<u>14</u>)	<u>5,264</u>	<u>18</u>
	Operating expense				
6200	Administrative expenses (Notes 21 and 26)	66,797	576	65,044	222
6450	Expected credit impairment loss (Note 4 and 10)	(<u>915</u>)	(<u>8</u>)	<u>1,012</u>	<u>4</u>
6000	Subtotal	<u>65,882</u>	<u>568</u>	<u>66,056</u>	<u>226</u>
6900	Net operating loss	(<u>67,486</u>)	(<u>582</u>)	(<u>60,792</u>)	(<u>208</u>)
	Non-operating income and expenses (Notes 21 and 26)				
7100	Interest income	4,331	37	4,501	15
7010	Other income	172,699	1,489	357,513	1,221
7020	Other gains and losses	174,320	1,503	162,116	554
7050	Finance costs	(2,247)	(19)	(1,537)	(5)
7055	Expected credit impairment loss	(1,889)	(16)	(1,578)	(5)
7070	Share of profit or loss of subsidiaries and associates accounted for under the equity method	<u>31,032</u>	<u>267</u>	<u>9,885</u>	<u>34</u>
7000	Subtotal	<u>378,246</u>	<u>3,261</u>	<u>530,900</u>	<u>1,814</u>
7900	Net profit before tax	310,760	2,679	470,108	1,606
7950	Income tax expense (Notes 4 and 22)	<u>387</u>	<u>3</u>	<u>2,144</u>	<u>8</u>
8000	Net income for the year	<u>310,373</u>	<u>2,676</u>	<u>467,964</u>	<u>1,598</u>

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Code		2024		2023	
		Amount	%	Amount	%
	Other comprehensive income				
	Not to be reclassified to profit or loss in subsequent periods:				
8311	Re-measurement of defined benefit plan (Note 18)	\$ 2,122	18	(\$ 135)	-
8316	Unrealized valuation gains of investments in equity instruments measured at fair value through other comprehensive income	76,032	656	57,888	198
8330	Share of other comprehensive income of subsidiaries, associates, and joint ventures accounted for under the equity method	(776)	(7)	1,851	6
8349	Income tax related to items not to be reclassified (Note 22)	(424)	(4)	27	-
8300	Other comprehensive income of the current year	<u>76,954</u>	<u>663</u>	<u>59,631</u>	<u>204</u>
8500	Total comprehensive profit and loss for the current year	<u>\$ 387,327</u>	<u>3,339</u>	<u>\$ 527,595</u>	<u>1,802</u>
	Earnings per share (Note 23)				
9710	Basic	<u>\$ 1.64</u>		<u>\$ 2.48</u>	
9810	Dilution	<u>\$ 1.64</u>		<u>\$ 2.47</u>	

The accompanying notes form an integral part of the parent company only financial statements.

Chairman: Chun-Fa Huang

Manager: Hsiu-Chi Chen

Head of Accounting: Ya-Ling Lin

Tze Shin International Co., Ltd.
Parent Only Statement of Changes in Equity
January 1 to December 31, 2024 and 2023

Unit: NT\$ thousand

Code		Share capital (Note 19)	Capital reserve (Note 19)	Retained earnings (Notes 8 and 19)			Other equity Unrealized profit and loss on the financial assets measured at fair value through other comprehensive income	Total equity
				Legal reserve	Unappropriated earnings	Total		
A1	Balance as of January 1, 2023	<u>\$ 1,890,023</u>	<u>\$ 20,857</u>	<u>\$ 309,697</u>	<u>\$ 153,135</u>	<u>\$ 462,832</u>	<u>\$ 99,744</u>	<u>\$ 2,473,456</u>
C17	Dividends not received by shareholders over time are transferred to capital reserves	<u>-</u>	<u>29</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29</u>
D1	Net of 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>467,964</u>	<u>467,964</u>	<u>-</u>	<u>467,964</u>
D3	Other comprehensive income after tax of 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>740</u>	<u>740</u>	<u>58,891</u>	<u>59,631</u>
D5	Total comprehensive profit and loss of 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>468,704</u>	<u>468,704</u>	<u>58,891</u>	<u>527,595</u>
Q1	Disposal of equity instruments measured at fair value through other comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,528</u>	<u>10,528</u>	<u>(10,528)</u>	<u>-</u>
Z1	Balance as of December 31, 2023	<u>1,890,023</u>	<u>20,886</u>	<u>309,697</u>	<u>632,367</u>	<u>942,064</u>	<u>148,107</u>	<u>3,001,080</u>
C17	Dividends not received by shareholders over time are transferred to capital reserves	<u>-</u>	<u>62</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62</u>
B1	Appropriations and distributions of 2023 earnings Legal reserve	<u>-</u>	<u>-</u>	<u>47,924</u>	<u>(47,924)</u>	<u>-</u>	<u>-</u>	<u>-</u>
B5	Cash dividends for shareholders	<u>-</u>	<u>-</u>	<u>-</u>	<u>(434,705)</u>	<u>(434,705)</u>	<u>-</u>	<u>(434,705)</u>
D1	Net of 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>310,373</u>	<u>310,373</u>	<u>-</u>	<u>310,373</u>
D3	Other comprehensive income after tax of 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,971</u>	<u>2,971</u>	<u>73,983</u>	<u>76,954</u>
D5	Total comprehensive profit and loss of 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>313,344</u>	<u>313,344</u>	<u>73,983</u>	<u>387,327</u>
M5	Difference between the price and book value of the subsidiary's equity acquired or disposed	<u>-</u>	<u>20,032</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,582)</u>	<u>13,450</u>
Q1	Disposal of equity instruments measured at fair value through other comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,726</u>	<u>30,726</u>	<u>(30,726)</u>	<u>-</u>
Z1	Balance on December 31, 2024	<u>\$ 1,890,023</u>	<u>\$ 40,980</u>	<u>\$ 357,621</u>	<u>\$ 493,808</u>	<u>\$ 851,429</u>	<u>\$ 184,782</u>	<u>\$ 2,967,214</u>

The accompanying notes form an integral part of the parent company only financial statements.

Chairman: Chun-Fa Huang

Manager: Hsiu-Chi Chen

Head of Accounting: Ya-Ling Lin

Tze Shin International Co., Ltd.
Parent Only Statement of Cash Flows
January 1 to December 31, 2024 and 2023

Unit: NT\$ thousand

Code		2024	2023
	Cash flows from operating activities		
A00010	Net profit before tax	\$ 310,760	\$ 470,108
	Adjustments to reconcile profit (loss)		
A20100	Depreciation	7,467	9,777
A20200	Amortization expenses	34	21
A20300	Expected credit impairment loss	974	2,590
A20400	Net gains from financial assets at fair value through profit or loss	(174,453)	(162,584)
A20900	Finance costs	2,247	1,537
A21200	Interest income	(4,331)	(4,501)
A21300	Dividend income	(63,114)	(277,772)
A22300	Share of profit of subsidiaries and associates accounted for under the equity method	(31,032)	(9,885)
A22500	Net gains from the disposal and scrap of property, plant, and equipment	52	(105)
A23800	Gains on inventory devaluation and obsolescence recovery	-	(240)
A29900	Other items	70,000	(69,765)
	Net changes in operating assets and liabilities		
A31130	Notes receivable	(24,620)	2,598
A31150	Accounts receivables	-	9,188
A31160	Accounts receivable - related parties	-	44
A31180	Other receivables	(809)	(25,729)
A31190	Other receivables - related parties	(54)	-
A31200	Inventory	(181,381)	(19,182)
A31240	Other current assets	(16,312)	(13,854)
A32125	Contract liabilities	31,139	-
A32130	Notes payable	-	(6,370)
A32150	Accounts payable	11,474	11,709
A32180	Other payables	(1,124)	4,630
A32190	Other payables - related parties	(389)	389
A32230	Other current liabilities	126	(3,151)
A32240	Net confirmed benefit debt	285	128
A33000	Cash outflow from operating activities	(63,061)	(80,419)
A33300	Interest paid	(2,819)	(1,393)
A33500	Income tax paid	(234)	(20)
AAAA	Net cash outflow from operating activities	(66,114)	(81,832)

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Code		2024	2023
	Cash flows from investing activities		
B00010	Acquisition of financial assets measured at fair value through other comprehensive income	(\$ 83,370)	(\$ 56,219)
B00020	Disposal of financial assets measured at fair value through other comprehensive income	160,304	59,035
B00040	Acquisition of financial assets at amortized cost	-	(100)
B00050	Disposal of financial assets measured at amortized cost	-	150
B00100	Acquisition of financial assets at fair value through profit or loss	(1,781,354)	(632,871)
B00200	Disposal of financial assets at fair value through profit or loss	2,125,576	730,559
B02300	Net cash inflow from disposal of subsidiaries	313	-
B02700	Purchase of property, plant and equipment	(453)	(1,250)
B02800	Disposal of property, plant and equipment prices	-	518
B03800	Decrease in refundable deposits	80,058	70,049
B04500	Acquisition of intangible assets	(151)	(60)
B06800	Decrease of other non-current assets	(1,038)	-
B07500	Interest received	4,308	4,354
B07600	Dividends received	<u>75,145</u>	<u>288,840</u>
BBBB	Net cash inflow from financing activities	<u>579,338</u>	<u>463,005</u>
	Cash flows from financing activities		
C01600	Increase in long-term loans	272,177	-
C03000	Increase in guarantee deposits	-	50
C03100	Decrease in guarantee deposits	(65)	-
C04020	Lease liability principal repayments	(3,041)	(7,757)
C04500	Cash dividends paid	(434,705)	-
C05400	Acquisition of equity in subsidiaries	(<u>27,362</u>)	<u>-</u>
CCCC	Net cash used in financing activities	(<u>192,996</u>)	(<u>7,707</u>)
EEEE	Net increase in cash	320,228	373,466
E00100	Cash balance at the beginning of the year	<u>594,515</u>	<u>221,049</u>
E00200	Year-end cash balance	<u>\$ 914,743</u>	<u>\$ 594,515</u>

The accompanying notes form an integral part of the parent company only financial statements.

Chairman: Chun-Fa Huang

Manager: Hsiu-Chi Chen

Head of Accounting: Ya-Ling Lin

Independent Auditors' Report

Shareholders and the Board of Directors of Tze Shin International Co., Ltd.,

Audit opinions

We have audited the accompanying parent company only balance sheets of Tze Shin International Co., Ltd. and its subsidiaries (the "Group") as of December 31, 2024 and 2023 and the relevant consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and relevant 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 Group 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, the 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 (FSC) of the Republic of China.

Basis for the audit opinion

We conducted the audit in accordance with the Regulations Governing the Audit of Financial Statements and Auditing Standards. Our responsibility under those standards is further described in the section of "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements." We are independent of Tze Shin International Co., Ltd. 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. Based on our audit results, we believe that sufficient and appropriate audit evidence has been obtained in order to serve as the basis for expressing the audit opinion.

Key audit matters

Key audit matters are those, in our professional judgment, the most significant matters in the audit of the 2024 annual consolidated financial statements of the Group. These matters were addressed in our audit of the consolidated financial statements as a whole, and in forming our audit opinion. We do not provide a separate opinion on these matters.

Key audit matters for the consolidated financial statements for the year ended December 31, 2024 are stated as follows:

Occurrence of transportation revenue

Operating revenue is a matter of great concern to the management and investors. The operating income of the Company and its subsidiaries mainly comes from transportation services and the operation of international tourist hotels, and the extent of the provision of labor services and the terms of collection of the transportation revenues are more complex than those of the hotel business, among which transportation income accounts for 50% and hence significantly impacts the financial statements of the Group for this year. Therefore, we listed whether the transportation revenue actually occurred as a key verification item during the audit this year. For the accounting policies and relevant disclosure information related to the recognition of transportation revenue, please refer to Note 4 to the consolidated financial statements.

We have implemented the main verification procedures for the above key verification items as follows:

1. Understand and test the design and implementation effectiveness of internal controls related to the occurrence of transportation revenue recognition.
2. Select samples from the transportation revenue in 2024, carry out detailed verification tests, check the transaction vouchers and the subsequent payment situation, and confirm the occurrence of transportation revenue recognition.

3. Send the official letter to confirm the balance of the accounts receivable at the end of the year, and implement alternative procedures for those who fail to receive the confirmation reply in time, including checking transaction vouchers and observing the collection status after the period.

Others

Tze Shin International Co., Ltd. has prepared the parent company only financial statements January 1 to December 31, 2024 and 2023 for 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 representation of the consolidated financial statements in accordance with IFRS, IAS, IFRICs and SICs 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 free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the management is responsible for assessing the ability of the Group in continuing as a going concern, disclosing relevant matters, and adopting the going concern basis of accounting unless the management intends to liquidate the Group or cease the operations without other viable alternatives.

The governing body of the Group (including the Audit Committee) is responsible for supervising the financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance on whether the consolidated financial statements as a whole are free from material misstatement arising from fraud or error, and to issue an independent auditors' report. Reasonable assurance is a high-level assurance but is not a guarantee that an audit conducted in accordance with the auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. If the amounts of misstatements, either separately or in aggregate, could reasonably be expected to influence the economic decisions of the users of the consolidated financial statements, they are considered material.

We have utilized our professional judgment and maintained professional doubt when performing the audit work in accordance with the auditing standards in the Republic of China. We also perform the following tasks:

1. Identify and assess the risks of material misstatement arising from fraud or error within the consolidated financial statements; design and execute countermeasures in response to said risks, and obtain sufficient and appropriate audit evidence to provide a basis of our opinion. Fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Therefore, the risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error.
2. Understand the internal control related to the audit in order to design appropriate audit procedures under the circumstances, while not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies adopted and the reasonableness of accounting estimates and relevant disclosures made by the management.
4. Conclude on the appropriateness of the management's adoption of the going concern basis of accounting based on the audit evidence obtained and whether a material uncertainty exists for events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we are of the opinion that a material uncertainty exists, we shall remind users of the consolidated financial statements to pay attention to relevant disclosures in said statements within our audit report. If such disclosures are inadequate, we need to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure, and content of the consolidated financial statements (including relevant notes), and whether the consolidated financial statements adequately present the relevant transactions and events.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities within the Group to express an opinion on the consolidated financial statements. We are responsible for guiding, supervising, and performing the audit and forming an audit opinion on the Group.

The matters communicated between us and the governing body include the planned scope and times of the audit and significant audit findings (including any significant deficiencies in internal control identified during the audit).

We also provided the governing body with a declaration that we have complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China regarding independence, and communicated with them all relationships and other matters that may possibly be regarded as detrimental to our independence (including relevant protective measures).

From the matters communicated with the governing body, we determined the key audit matters for the audit of the Group's consolidated financial statements for the year ended December 31, 2024. We have clearly indicated such matters in the auditors' report unless legal regulations prohibit the public disclosure of specific matters, or in extremely rare cases, we decided not to communicate over specific items in the auditors' report, for it could be reasonably anticipated that the negative effects of such disclosure would be greater than the public interest it brings forth.

Deloitte & Touche

CPA Han-Ni Fang

CPA Chao-Yu Chen

Approval reference No. of Financial Supervisory
Commission

Jin-Guan-Zheng-Shen-Zi No.1090347472

Approval reference No. of Financial Supervisory
Commission

Jin-Guan-Zheng-Shen-Zi No.1110348898

March 11, 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.

Tze Shin International Co., Ltd. and its subsidiaries
Consolidated Balance Sheet
December 31, 2024 and 2023

Unit: NT\$ thousand

Code	Assets	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
Current assets					
1100	Cash (Notes 4 and 6)	\$ 1,043,765	24	\$ 735,847	18
1110	Financial assets measured at fair value through profit or loss - Current statement (Notes 4, 7, 28 and 31)	1,088,035	25	1,181,327	28
1120	Financial assets measured at fair value through other comprehensive profit or loss - Current statement (Notes 4, 8 and 31)	110,480	2	163,945	4
1136	Financial assets measured at amortized cost - current (Notes 4, 9 and 26)	23,350	-	23,650	1
1150	Notes receivable (Notes 4, 10 and 21)	33,884	1	81,652	2
1160	Notes receivable - related parties (Notes 4, 10, 21 and 27)	31,341	1	29,350	1
1170	Net accounts receivable (Notes 4, 10 and 21)	39,394	1	46,871	1
1180	Accounts receivable - related parties (Notes 4, 10, 21 and 27)	35,287	1	33,003	1
1200	Other receivables, net (Notes 4.10 and 27)	4,498	-	25,089	1
1310	Net inventory (Notes 4 and 11)	383,156	9	186,769	4
1410	Prepayments	23,190	-	21,255	-
1476	Other financial assets - current (Note 4)	7,093	-	7,323	-
1479	Other current assets (Note 4)	16,145	-	17,230	-
11XX	Total current assets	2,839,618	64	2,553,311	61
Non-current assets					
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	262,972	6	217,341	5
1600	Property, plant and equipment (Notes 4, 13 and 27)	220,339	5	224,771	5
1755	Right-of-use assets (Notes 3, 4 and 15)	483,103	11	490,749	12
1760	Investment property (Notes 4, 15 and 28)	30,026	1	30,026	1
1780	Intangible assets (Notes 4, 16 and 28)	495,788	11	500,998	12
1840	Deferred income tax assets (Notes 4 and 23)	84,616	2	94,895	2
1920	Refundable deposits (Notes 15 and 26)	1,383	-	81,807	2
1975	Net defined benefit assets (Notes 4 and 19)	5,718	-	2,558	-
1980	Other financial assets - non-current	3,042	-	3,021	-
1990	Other non-current assets (Note 26)	3,174	-	-	-
15XX	Total non-current assets	1,590,161	36	1,646,166	39
1XXX	Total assets	\$ 4,429,779	100	\$ 4,199,477	100
Financial liabilities and equity					
Current liabilities					
2100	Short-term borrowings (Notes 4, 17 and 28)	\$ 80,000	2	\$ 170,000	4
2130	Contract liabilities - current (Note 21)	31,139	1	-	-
2150	Notes payable	20,609	1	20,376	1
2160	Notes payable - related party (Note 27)	12,709	-	13,456	-
2170	Accounts payable	50,600	1	37,967	1
2180	Accounts payable - related parties (Note 27)	5,023	-	4,866	-
2200	Other payables (Note 18)	199,086	5	91,771	2
2220	Other receivables - related parties (Notes 19 and 27)	55	-	522	-
2230	Income tax liabilities for the current period (Notes 4 and 23)	407	-	51	-
2280	Lease liabilities - current (Notes 3, 4 and 14)	15,631	-	17,738	1
2320	Long-term borrowings due within one year (Notes 4, 17 and 28)	17,299	-	27,214	1
2399	Other current liabilities	15,982	-	17,518	-
21XX	Total current liabilities	448,540	10	401,479	10
Non-current liabilities					
2540	Long-term borrowings (Notes 4, 17 and 28)	303,073	7	52,902	1
2580	Lease liabilities - non-current (Notes 3, 4 and 14)	489,997	11	488,917	12
2640	Net defined benefit liabilities (Notes 4 and 19)	3,784	-	5,622	-
2645	Guarantee deposits	307	-	225	-
2670	Other non-current liabilities	11,222	-	11,307	-
25XX	Total non-current liabilities	808,383	18	558,973	13
2XXX	Total liabilities	1,256,923	28	960,452	23
Equity attributed to owners of the Company					
3110	Ordinary shares	1,890,023	43	1,890,023	45
3200	Capital reserve	40,980	1	20,886	-
	Retained earnings				
3310	Legal reserve	357,621	8	309,697	7
3350	Unappropriated earnings	493,808	11	632,367	15
3300	Total retained earnings	851,429	19	942,064	22
3400	Other equity	184,782	4	148,107	4
31XX	Total equity of the owner of the Company	2,967,214	67	3,001,080	71
36XX	Non-controlling interests	205,642	5	237,945	6
3XXX	Total Equity	3,172,856	72	3,239,025	77
Total liabilities and equity		\$ 4,429,779	100	\$ 4,199,477	100

The notes constitute a part of the financial statements.

Chairman: Chun-Fa Huang

Manager: Hsiu-Chi Chen

Head of Accounting: Ya-Ling Lin

Tze Shin International Co., Ltd. and its subsidiaries
Consolidated Statement of Comprehensive Income
January 1 to December 31, 2024 and 2023

Unit: NTD thousands;
Earnings (Losses) per share (NT\$)

Code		2024		2023	
		Amount	%	Amount	%
4000	Net operating revenue (Notes 4, 21 and 27)	\$ 687,138	100	\$ 617,327	100
5000	Operating cost (Notes 11, 22 and 27)	<u>492,531</u>	<u>72</u>	<u>471,448</u>	<u>76</u>
5950	Gross profit	<u>194,607</u>	<u>28</u>	<u>145,879</u>	<u>24</u>
	Operating expense				
6200	Operating expense (Notes 22, 27, and 32)	212,065	31	192,814	32
6450	Expected credit impairment loss (gains) (Note 4 and 10)	(<u>915</u>)	<u>-</u>	(<u>1,012</u>)	<u>-</u>
6000	Subtotal	<u>211,150</u>	<u>31</u>	<u>193,826</u>	<u>32</u>
6900	Net operating loss	(<u>16,543</u>)	(<u>3</u>)	(<u>47,947</u>)	(<u>8</u>)
	Subtotal (Note 22)				
7100	Interest income (Note 27)	5,714	1	5,639	1
7010	Other income	186,511	27	364,646	59
7020	Other gains and losses	180,359	26	175,502	29
7050	Finance costs	(15,892)	(2)	(16,362)	(3)
7055	Expected credit impairment loss	(<u>1,889</u>)	<u>-</u>	(<u>1,578</u>)	<u>-</u>
7000	Subtotal	<u>354,803</u>	<u>52</u>	<u>527,847</u>	<u>86</u>
7900	Net profit before tax	338,260	49	479,900	78
7950	Income tax expense (Notes 4 and 23)	<u>10,800</u>	<u>1</u>	<u>4,069</u>	<u>1</u>
8000	Net income for the year	<u>327,460</u>	<u>48</u>	<u>475,831</u>	<u>77</u>

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Code		2024		2023	
		Amount	%	Amount	%
	Other comprehensive income				
8310	Not to be reclassified to profit or loss in subsequent periods:				
8311	Re-measurement of defined benefit plan (Note 19)	\$ 5,474	1	\$ 2,100	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	73,010	10	59,479	10
8349	Income tax related to items not to be reclassified (Note 23)	(1,095)	-	(420)	-
8300	Other comprehensive income of the current year	<u>77,389</u>	<u>11</u>	<u>61,159</u>	<u>10</u>
8500	Total comprehensive profit and loss for the current year	<u>\$ 404,849</u>	<u>59</u>	<u>\$ 536,990</u>	<u>87</u>
	Net profit (loss) attributed to				
8610	Owner of the Company	\$ 310,373	45	\$ 467,964	76
8620	Non-controlling interests	<u>17,087</u>	<u>3</u>	<u>7,867</u>	<u>1</u>
8600		<u>\$ 327,460</u>	<u>48</u>	<u>\$ 475,831</u>	<u>77</u>
	Comprehensive income attributable to				
8710	Owner of the Company	\$ 387,327	56	\$ 527,595	85
8720	Non-controlling interests	<u>17,522</u>	<u>3</u>	<u>9,395</u>	<u>2</u>
8700		<u>\$ 404,849</u>	<u>59</u>	<u>\$ 536,990</u>	<u>87</u>
	Earnings per share (Note 24)				
9710	Basic	<u>\$ 1.64</u>		<u>\$ 2.48</u>	
9810	Dilution	<u>\$ 1.64</u>		<u>\$ 2.47</u>	

The notes constitute a part of the financial statements.

Chairman: Chun-Fa Huang

Manager: Hsiu-Chi Chen

Head of Accounting: Ya-Ling Lin

Tze Shin International Co., Ltd. and its subsidiaries
Consolidated Statement of Changes in Equity
January 1 to December 31, 2024 and 2023

Unit: NT\$ thousand

		Equity attributable to owners of the Company (Notes 8 and 20)								
						Other equity				
		Retained earnings				Unrealized profit and loss on the financial assets measured at fair value through other comprehensive income	Owner of the Company	Non-controlling interests		
Code		Share capital	Capital reserve	Legal reserve	Unappropriated earnings	Total		(Note 20)	Total equity	
A1	Balance as of January 1, 2023	\$ 1,890,023	\$ 20,857	\$ 309,697	\$ 153,135	\$ 462,832	\$ 99,744	\$ 2,473,456	\$ 240,709	\$ 2,714,165
C17	Dividends not received by shareholders over time are transferred to capital reserves	-	29	-	-	-	-	29	-	29
D1	Net of 2023	-	-	-	467,964	467,964	-	467,964	7,867	475,831
D3	Other comprehensive income after tax of 2023	-	-	-	740	740	58,891	59,631	1,528	61,159
D5	Total comprehensive profit and loss of 2023	-	-	-	468,704	468,704	58,891	527,595	9,395	536,990
O1	Cash dividends for shareholders of subsidiaries	-	-	-	-	-	-	-	(12,159)	(12,159)
Q1	Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	10,528	10,528	(10,528)	-	-	-
Z1	Balance as of December 31, 2023	1,890,023	20,886	309,697	632,367	942,064	148,107	3,001,080	237,945	3,239,025
	Appropriations and distributions of 2023 earnings									
B1	Contribution to legal reserve	-	-	47,924	(47,924)	-	-	-	-	-
B5	Cash dividends for shareholders of the Company	-	-	-	(434,705)	(434,705)	-	(434,705)	-	(434,705)
C17	Dividends not received by shareholders over time are transferred to capital reserves	-	62	-	-	-	-	62	-	62
D1	Net of 2024	-	-	-	310,373	310,373	-	310,373	17,087	327,460
D3	Other comprehensive income after tax of 2024	-	-	-	2,971	2,971	73,983	76,954	435	77,389
D5	Total comprehensive profit and loss of 2024	-	-	-	313,344	313,344	73,983	387,327	17,522	404,849
M5	Difference between the price and book value of the subsidiary's equity acquired or disposed	-	20,032	-	-	-	(6,582)	13,450	(13,450)	-
M7	Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	(27,362)	(27,362)
O1	Cash dividends for shareholders of subsidiaries	-	-	-	-	-	-	-	(9,013)	(9,013)
Q1	Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	30,726	30,726	(30,726)	-	-	-
Z1	Balance on December 31, 2024	\$ 1,890,023	\$ 40,980	\$ 357,621	\$ 493,808	\$ 851,429	\$ 184,782	\$ 2,967,214	\$ 205,642	\$ 3,172,856

The notes constitute a part of the financial statements.

Chairman: Chun-Fa Huang

Manager: Hsiu-Chi Chen

Head of Accounting: Ya-Ling Lin

Tze Shin International Co., Ltd. and its subsidiaries
Consolidated Statement of Cash Flows
January 1 to December 31, 2024 and 2023

Unit: NT\$ thousand

Code		2024	2023
	Cash flows from operating activities		
A00010	Net profit before tax	\$ 338,260	\$ 479,900
A20010	Adjustments to reconcile profit (loss):		
A20100	Depreciation	42,500	45,231
A20200	Amortization expenses	23,787	22,022
A20300	Expected credit impairment loss	974	2,590
A20400	Net gains from financial assets at fair value through profit or loss	(180,949)	(175,236)
A20900	Finance costs	15,892	16,362
A21200	Interest income	(5,714)	(5,639)
A21300	Dividend income	(63,114)	(279,122)
A22500	Net gains from the disposal and scrap of property, plant, and equipment	(1,303)	(1,285)
A22800	Loss of disposal of intangible assets	1,340	1
A23700	Inventory scrapping loss	-	386
A23800	Price recovery benefit for inventory	-	(240)
A29900	Other items	71,508	(69,363)
	Net change in operating assets and liabilities		
A31130	Notes receivable	(22,232)	(4,506)
A31140	Notes receivable - related parties	(1,991)	5,403
A31150	Accounts receivables	7,477	(8,066)
A31160	Accounts receivable - related parties	(2,284)	4,364
A31180	Other receivables	(893)	(21,106)
A31190	Other receivables - related parties	-	270
A31200	Inventory	(181,617)	(20,083)
A31230	Prepayments	(3,528)	(5,830)
A31240	Other current assets	(13,394)	(11,180)
A32125	Contract liabilities	31,139	-
A32130	Notes payable	233	(10,094)
A32140	Notes payable - related parties	(747)	2,934
A32150	Accounts payable	12,972	15,241
A32160	Accounts payable - related parties	157	(596)
A32180	Other payables	12,452	12,927
A32190	Other payables - related parties	(467)	481
A32230	Other current liabilities	(960)	1,855
A32240	Net confirmed benefit debt	476	416
A33000	Cash inflows (outflows) from operations	79,974	(1,963)
A33300	Interest paid	(7,595)	(7,412)
A33500	Income tax paid	(1,551)	(8,928)
AAAA	Net cash inflows (outflows) from operating activities	<u>70,828</u>	<u>(18,303)</u>

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Code		2024	2023
	Cash flows from investing activities		
B00010	Acquisition of financial assets measured at fair value through other comprehensive income	(\$ 83,370)	(\$ 56,219)
B00020	Disposal of financial assets measured at fair value through other comprehensive income	164,214	59,035
B00040	Acquisition of financial assets at amortized cost	-	(100)
B00050	Disposal of financial assets measured at amortized cost	300	250
B00100	Acquisition of financial assets at fair value through profit or loss	(1,781,353)	(632,871)
B00200	Disposal of financial assets at fair value through profit or loss	2,170,996	730,559
B02700	Purchase of property, plant and equipment	(13,437)	(14,535)
B02800	Disposal of property, plant and equipment prices	1,416	1,768
B03800	Decrease in refundable deposits	80,424	70,237
B04500	Acquisition of intangible assets	(19,917)	(71,806)
B06500	Increase in their financial assets	(21)	(139)
B06600	Decrease in other financial assets	230	-
B06700	Increase of other non-current assets	(3,174)	-
B07500	Interest received	5,691	5,386
B07600	Dividends received	<u>63,074</u>	<u>278,922</u>
BBBB	Net cash inflow from financing activities	<u>585,073</u>	<u>370,487</u>
	Cash flows from financing activities		
C00100	Increase in short-term borrowings	-	40,000
C00200	Decrease in short-term borrowings	(90,000)	-
C01600	Increase in long-term loans	282,177	60,000
C01700	Decrease in long-term loans	(41,921)	(20,717)
C03000	Increase in guarantee deposits	82	50
C04020	Lease liability principal repayments	(27,241)	(31,332)
C04500	Cash dividends paid	(434,705)	-
C05400	Acquisition of equity in subsidiaries	(27,362)	-
C05800	Changes in non-controlling interests	(<u>9,013</u>)	(<u>12,159</u>)
CCCC	Net cash inflow (outflow) from financing activities	(<u>347,983</u>)	<u>35,842</u>
EEEE	Net increase in cash	307,918	388,026
E00100	Cash balance at the beginning of the year	<u>735,847</u>	<u>347,821</u>
E00200	Year-end cash balance	<u>\$ 1,043,765</u>	<u>\$ 735,847</u>

The notes constitute a part of the financial statements.

Chairman: Chun-Fa Huang

Manager: Hsiu-Chi Chen

Head of Accounting: Ya-Ling Lin

Tze Shin International Co., Ltd.
Earnings Distribution Table
2024

Unit: NTD

Unappropriated earnings at the beginning of the period	\$149,738,715
Add: Disposal of accumulated gains and losses on equity investments measured using other comprehensive gains and losses transferred to retained earnings	30,725,319
Add: Adjustment of retained earnings due to investment using the equity method	1,272,984
Add: Remeasured amount of defined benefit plan recognized in retained earnings	<u>1,697,745</u>
Adjusted unappropriated earnings	\$183,434,763
Add: Net surplus after tax of the year	310,373,350
Less: Contribution to legal reserve (10%)	<u>(34,406,940)</u>
Total earnings for distribution for the period	\$459,401,173
Distributions:	
Dividend to shareholders - cash dividend (189,002,272 shares at NT\$1.64 per share)	<u>309,963,730</u>
Undistributed earnings at the end of the period	<u><u>\$149,437,443</u></u>

Chairman:
Chun-Fa Huang

Managerial Officer:
Hsiu-Chi Chen

Head-Finance & Accounting:
Ya-Ling Lin

Tze Shin International Co., Ltd.
Comparison of Amendments to Articles of Incorporation

Articles	Original clauses (June 25, 2024)	Amended clauses (effective on June 20, 2025)	Remarks
Article 24	<u>The Company may have positions of President, Vice-President, Assistant Vice-President, and several officers, whose</u> appointment, dismissal and remuneration shall be handled in accordance with Article 29 of the Company Act.	<u>The Company may engage managers. Their</u> appointment, dismissal, and remuneration shall be handled in accordance with Article 29 of the Company Act.	Simplification job title in accordance with Article 29 of the Company Act.
Article 27	If the Company has any profits for any fiscal year, it shall allocate 1% to 5% of its profits for employees' remuneration and no more than 3 % of its profits for directors' remuneration. <u>The distribution of employee and director remuneration shall be made by the board of directors with the resolution of more than two-thirds of the directors present and the approval of more than half of the directors present, which shall be submitted to the shareholders' meeting.</u> In addition, when employee remuneration is determined by the board of directors to be distributed in shares or cash, the recipients of such remuneration may include employees of affiliates who meet certain conditions. It shall compensate against the Company's cumulative losses (if any), and then the balance shall be allocated for employee and director remuneration in proportion stated in the preceding Paragraph. (Skipped hereunder)	If the Company has any profits for any fiscal year, it shall allocate 1% to 5% of its profits for employees' remuneration and no more than 3 % of its profits for directors' remuneration. <u>The proportion of employee remuneration allocated to entry-level employees under the conditions set by the Board of Directors shall not be less than 10%.</u> In addition, when employee remuneration is determined by the board of directors to be distributed in shares or cash, the recipients of such remuneration may include employees of affiliates who meet certain conditions. <u>Directors' remuneration can only be paid in cash. The distribution of employee and director remuneration shall be made by the board of directors with the resolution of more than two-thirds of the directors present and the approval of more than half of the directors present, which shall be submitted to the shareholders' meeting.</u> It shall compensate against the Company's cumulative losses (if any), and then the balance shall be allocated for employee and director remuneration in proportion stated in the preceding Paragraph. (Skipped hereunder)	1. According to Article 14, Paragraph 6 of the Securities and Exchange Act, a certain percentage of annual profit shall be allocated to adjust the salary or distribute remuneration to entry-level employees. Therefore, the percentage of employee remuneration allocated to entry-level employees is added. 2. Added that directors' remuneration shall be paid in cash only. 3. Adjusted the order of the content.
Article 29	These Articles of Incorporation were formulated on September 27, 1973, The 1st to 37th amendments (omitted) The 38th amendment on Jun. 25, 2024.	These Articles of Incorporation were formulated on September 27, 1973, The 1st to 37th amendments (omitted) The 38th amendment on Jun. 25, 2024, <u>The 39th amendment on Jun. 20, 2025.</u>	Add the 39th amendment.