

Stock Code: 2102



Federal Corporation

1st Extraordinary Shareholders' Meeting 2025

Meeting Handbook

Date: July 1, 2025

Place: No. 369, Huanxi Road, Guanyin District, Taoyuan City

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FEDERAL CORPORATION

Agenda of the 1st special shareholders' meeting 2025

Form of Shareholders' Meeting: Physical

Time: 9:00 a.m., Tuesday, July 1, 2025

Place: No. 369, Huanxi Road, Guanyin District, Taoyuan City

I. The Chairman calls the meeting to order

II. Chairperson's message

III. Discussion:

Case 1: Discontinued production of the permanent plant in Guanyin and the disposal of assets.

IV. Extempore motion:

V. Adjournment.

Discussion

Proposal 1 (proposed by the Board of Directors)

Cause of motion: Discontinued production of the permanent plant in Guanyin and the disposal of assets.

Description:

1. The Company was affected by the U.S. anti-dumping and high tariffs. After cost and profit analysis, the production cost of Guanyin Plant was higher than the profit, and thus no economic and commercial interest. Therefore, the Company planned to permanently close down the Guanyin Plant.
2. After the shutdown of production facilities and production equipment, the idle assets (including but not limited to land, plant, equipment) in Guanyin Plant will be activated and sold to reduce expenses and losses. The idle assets (including but not limited to land, plant, equipment) will be sold to increase cash flow, improve the financial structure, and increase the Company's interest. Overall, the disposal of assets in Guanyin Plant has been effective in adjusting and strengthening the Company's financial structure.
3. The main contents of the disposal of the assets activation in Guanyin Plant are as follows:
 - (1) The Guanyin Plant is a real estate property located at No. 369, Guanyin Rd., Datan Village, Guanyin Dist., Taoyuan City. The information is as follows:
 - (a). Land lot: 0138-0004, Guantang Section, Guanyin District
 - (b). Building Construction No.:
00073-001, Guantang Section, Guanyin District
00073-002, Guantang Section, Guanyin District
 - (c). Equipment: Located on the production equipment in the Guanyin Plant.
 - (2) The land and plant of the Guanyin Plant in this project are entrusted for appraisal as follows (the production equipment will be appraised according to the market condition):
 - (a). YuantongReal Estate Appraiser & Associates: NTD 6,784,929,905
 - (b). Jia-Tai Real Estate Appraiser & Associates: NTD 6,769,499,791
 - (3) According to the reasonable opinion issued by the independent expert, Tang, Ju-Yu, CPA of HORNG YOW CPA Firm (Please refer to Attachment 1), the evaluation of the land and plant price of the Guanyin Plant is expected to be no less than NTD 6.8 billion, higher than the estimated value, and the price should be reasonable.

The Company intends to sell the land and plant at Guanyin Plant for an amount not less than NTD 6.8 billion. The transaction price is within the reasonable range of the price assessed by the aforementioned independent experts. The transaction price of the production equipment in Guanyin Plant is set to be sold at market price.

- (4) Considering that the buyer of land and plant may be different entities, and the transaction schedule and terms of each asset are not consistent, the Board of Directors is authorized to handle the transaction individually.
- 4. The Company's Audit Committee has reviewed the fairness and reasonableness of the disposal of the assets of the Guanyin Plant (please refer to Attachment 2), and submitted it to the Board of Directors for approval.
- 5. In response to the implementation of all appropriate and necessary actions and procedures related to the asset activation and disposal in the Guanyin Plant, including but not limited to signing, negotiation, revision, and addition of related contracts or documents on behalf of the Company, and other matters to be handled, etc., it is intended to have the Board of Directors be authorized to set the price no less than the aforementioned relevant setting price (the actual selling price should be based on the market objective at the time of disposal), and proceed according to the resolution of the Board of Directors and relevant laws and regulations. If the competent authority requires this case, or if it is necessary to amend the case in response to the objective environmental factors, the Board of Directors is authorized to handle the case with full power of attorney.

Resolution:

Extempore motion

Adjournment.

Attachment

FEDERAL CORPORATION

Opinion on the reasonableness of the disposal of property

June 4, 2025

Federal Corporation

[Summary](#)

FEDERAL CORPORATION (hereinafter referred to as "FEDERAL CORPORATION") is expected to dispose of real estate (including land - No. 138-4, Guantang Section, Guanyin District, Taoyuan City; building - No. 73-1 and 73-2, Guantang Section, Guanyin District, Taoyuan City) for an amount no less than NTD 6.8 billion. According to the two real estate appraisal reports obtained, the values of the target properties were NTD 6,769,499,791 and NTD 6,784,929,905, respectively. Therefore, the estimated disposal price of the target properties by Taifex is not less than NTD 6.8 billion, higher than the assessed value, and the price is reasonable.

HORNG YOW CPA Firm

CPA, Tang, Ju-Yu

Business Registration No.: Jin-Guan-Zheng-(6)-Zi No. 0970013154

Address: 7F-2, No. 51-2, Fuxing Rd., Taoyuan Dist., Taoyuan City 330

Tel.: 03-3360526

Opinion on the reasonableness of the disposal of property

Addressee: FEDERAL CORPORATION

FEDERAL CORPORATION (hereinafter referred to as "FEDERAL CORPORATION") expects to dispose of real estate (land - No. 138-4, Guanyin Section, Guanyin District, Taoyuan City; building - No. 73-1 and 73-2, Guanyin Section, Guanyin District, Taoyuan City) for an amount not less than NT\$6.8 billion. Pursuant to Article 6 of the "Corporate Mergers and Acquisitions Act", the necessary procedures are adopted to review the completed matters. The results of the review are described as follows:

I. Basic condition of the subject matter

The subject matter of this tender is located in the Guandu section of Taoyuan City (land lot 138-4, Guandu Section; building address: No. 369, Huanxi Road, Guanyin District, Taoyuan City), with a land area of about 34,688.49 pings and a building area of about 25,660.33 pings. The area is in the industrial zone, and the land category is the land for construction. The land shape is irregular, and the base is surrounded by roads. The south side is surrounded by 20M ring south road, and the west side is surrounded by 12M ring west road, and the north side is surrounded by 12M Datan South Road.

The steel reinforced concrete was used for the construction of the above-ground buildings in February 2017. The steel structure was used in December 2022. The current status is a plant, but the capacity utilization rate is low, which is not the highest and most effective utilization state.

Item	Structure	Area (Pings)
Land	-	34,688.49
Building	Reinforced concrete	24,338.28
Building	Steel frame	1,322.05

II. The appraisal report of the subject matter referred to above submitted by the appraisal institution commissioned by the Company on April 25, 2025 is as follows:

1. Value standards and value assumptions: The purpose of this evaluation is to understand the

normal price of the subject matter of trade on the evaluation base date.

2. Date of evaluation: April 7, 2025.
3. Major assumptions and restrictions: This evaluation only provides reasonable value assessment on the current condition of the subject matter of evaluation based on various assumptions and conditions (please refer to pages 4 to 5 of the real estate appraisal report for details).
4. The subject matter of this project is a land in the industrial zone of Binhai Industrial Park, and the appraisal principle is based on the "comparing method", and the price of the subject matter of appraisal and the single price of the comparable subject matter of appraisal form the conditions, and the difference of the transaction conditions and the comparison of the subject matter of appraisal and the status of the comparable subject matter of appraisal, date, region, and individual factors are adjusted and amended to achieve the price comparison. In addition, as the subject matter of transaction is also an income property, the income price is estimated by the "income approach" with the direct capitalization method. The evaluation is described as follows:

(1) Cost of land

● Comparative Method

Based on the appraisal unit's selection and the subject matter is in the neighborhood of the same supply and demand circle, the transaction case of real estate with similar use control category is used as a reference for comparing the subject matter. Then, the conditions of the subject matter land and the comparable subject matter are analyzed and adjusted, and the adjusted estimate is NTD 193,000 per ping. The details are as follows:

Item	Comparing the underlying subject	Comparing the underlying two	Comparing the underlying subject 3
Location of the subject matter	No. 21, Guantang Section	No. 96-98, Guantang Section	No. 112, Tangong Section
Adjustment of the circumstances	100%	100%	100%
Date of price adjustment	101%	100%	100%
Regional factor adjustment	100%	100%	100%
Individual factor	96%	100%	100%

adjustment			
Trial price (NTD/pings)	212,422	190,693	174,277
Weighted number	34%	33%	33%
Final price comparison (NTD/pings)	193,000		

● Income Approach

Based on the appraisal unit's selection and the subject matter is in the neighborhood area of the same supply and demand circle, the transaction case of the lease transaction market with similar use control category is used as a reference for comparing the subject matter. The residual price of the building is estimated based on the main structure type and the completion year of the building. In addition, the building's monthly rent is estimated based on the building's yield capitalization rate. Finally, the land's monthly rent is estimated to be NTD 453 to NTD 521 per ping. After analyzing and adjusting the conditions of the underlying land and the comparable land, the adjusted monthly rent price per ping of land is estimated to be NTD 449. The details are as follows:

Item	Comparing the underlying subject 4	Comparing the underlying five	Comparing the underlying six
Location of the subject matter	No. 113-13, Tangong Section	No. 56-1, Subsection 4, Industrial Park	No. 164, Subsection 3, Industrial Park
Adjustment of the circumstances	100%	100%	100%
Date of price adjustment	106%	102%	105%
Regional factor adjustment	100%	99%	99%
Individual factor adjustment	90%	92%	90%
Trial price (NTD/pings)	441	420	489
Weighted number	40%	30%	30%
Final price comparison (NTD/pings)	449		

Based on the above calculation results, the annual total rent income, interest on deposits, possible total income, vacant loss (2.50%), effective total income, and annual total

expenses are calculated on a monthly basis, and the net operating revenue is derived. After the net income is capitalized at 3.02%, the estimated unit price of income is NTD 172,000 per ping.

- Conclusion on land evaluation price

After assessing that the above two methods for collecting information are true market information, and the relevant information is complete and accurate, the weights are both 50%, and the estimated land price is NTD 6,330,649,425. The results are shown below:

Appraisal method	Trial unit price (NTD/ pings)	Weight of rights	Unit price (NTD/ pings)
Comparative Method	193,000	50%	182,500
Income Approach	172,000	50%	
Land area (pings)			34,688.49
Total land value (NTD)			6,330,649,425

(2) Construction cost

- Building replacement cost

The building is a concrete plant with steel bars on the 4-5 floors. According to the unit area of the factory in Taoyuan City, the unit price is about NTD 60,000 to NTD 82,100 per ping. The steel frame plant is about NTD 33,500 to NTD 60,000 per ping. Considering the individual conditions of the building, the replacement cost unit price is about NTD 60,000 per ping and NTD 35,000 per ping, and the price index is adjusted.

In addition, the target is located in the coastal area, which is easily eroded by the sea wind. According to the public notice, the durability of the steel is 25 years. The residual price rate of the reinforced concrete is 4%, and the steel frame is 8%.

The total cost of building replacement was calculated based on the above conditions, and amounted to NTD 1,135,701,200.

Unit: NTD

Structure	Area (Pings)	Unit price	Replacement cost
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Reinforced concrete	24,338.28	44,800	1,090,354,900
Steel frame making	1,322.05	34,300	45,346,300
Total	25,660.33		1,135,701,200

- Functional depreciation

Considering that the land is a land for construction with a legal capacity rate of 300%, even though there are two buildings on the ground, the capacity utilization rate is low, which is not the highest and most effective utilization state. In addition, the land scale of this project is huge and the total price is very high. The potential buyer may have other plans for the use of the land, and the existing buildings may not meet the needs of the user. Therefore, the functional depreciation of this project is 60%, and the estimated total construction price is NTD 454,280,480 after adjustment.

- Economic depreciation

The subject matter of this project is located in the industrial zone, surrounded by forest, and the building is also a plant. Therefore, there is no economic decline. Conclusion on the value of real estate

- Conclusion of building price

In conclusion, the cost of the building was estimated at NTD 454,280,480 after considering the physical and functional depreciation.

(3) Conclusion on the value of real estate

The value of the subject matter of evaluation was NTD 6,784,929,905, and the exchange is as follows.

Unit: NTD

	Floor area	Value Evaluation
Land	34,688.49 pings	6,330,649,425
Building construction	25,660.33 pings	454,280,480
Total		6,784,929,905

III. The appraisal report of the subject matter referred to above submitted by the appraisal institution commissioned by the Company on May 9, 2025 is as follows:

5. Value standards and value assumptions: The purpose of this evaluation is to understand the normal price of the subject matter of trade on the evaluation base date.
6. Date of evaluation: April 23, 2025.
7. Major assumptions and restrictions: This evaluation only provides reasonable value assessment on the current condition of the subject matter of evaluation based on various assumptions and conditions (please refer to pages 7 to 9 of the real estate appraisal report for details).
8. The target is the land for industrial zone construction, which is mostly self-built by the land owner, and the large-scale lease cases in the area are rare. The land development analysis method and the direct capitalization method are not applicable, so only the comparative method is used to assess the land price, and the cost method is used to assess the building price. Land is estimated using the "comparing method" to compare the target price, and the percentage is adjusted as an example. Comparisons, discounts and adjustments are used to obtain the comparing price of the target. For buildings, the cost of reconstruction or replacement is obtained using the cost method, and the accumulated depreciation or other deductions are deducted to calculate the price of the target. The evaluation is described as follows:

(1) Cost of land

Based on the appraisal unit's selection and the subject matter is in the neighborhood of the same supply and demand circle, the transaction case of real estate with similar use control category is used as a reference for comparing the subject matter. Then, the conditions of the

subject matter land and the comparable subject matter are analyzed and adjusted, and the estimated land price per ping is NTD 182,000, with a total amount of NTD 6,313,305,180.

The details are as follows:

Item	Comparing the underlying subject	Comparing the underlying two	Comparing the underlying subject 3
Location of the subject matter	No. 96, Guantang Section	No. 112, Tangong Section	No. 21, Guantang Section
Adjustment of the circumstances	100%	100%	100%
Date of price adjustment	100%	101%	101%
Regional factor adjustment	100%	100%	100%
Individual factor adjustment	85%	86%	85%
Trial price (NTD/pings)	187,128	166,531	188,082
Weighted number	27%	27%	46%
Final price comparison (NTD/pings)	182,000		

(2) Construction cost

The building is a concrete plant with steel bars on the 4th floor. According to the factory construction or construction fee standards in Taoyuan City, and the construction project price index, the unit price is adjusted to be between NTD 60,274 and NTD 82,377 per ping. The unit price of the steel frame plant is between NTD 59,071 and NTD 80,366 per ping. Considering the individual conditions of the building, the unit price of the replacement cost is between NTD 60,274 and NTD 59,071 per ping.

The durability of the steel bars is 10 years. The residual price rate of the reinforced concrete is 5%, and the steel frame is 10%.

Based on the above conditions, the total cost of building replacement was NTD 456,194,641.

Unit: NTD

Structure	Area (Pings)	Unit price	Replacement cost
Reinforced concrete	24,338.28	15,795	384,423,161
Steel frame making	1,322.05	54,288	71,771,450
Total	25,660.33		456,194,611

(3) Conclusion on the value of real estate

The value of the subject matter of evaluation was NTD 6,769,499,791, and the exchange is as follows.

Unit: NTD

	Floor area	Value Evaluation
Land	34,688.49 pings	6,313,305,180
Building construction	25,660.33 pings	456,194,611
Total		6,769,499,791

IV. In our opinion, the appraisal report issued by the appraisal unit and the source of information and the evaluation method for the calculation of the transaction price should be reviewed. The appraisal results show that the Company is expected to dispose of the property at a price no less than NTD 6.8 billion, which is higher than the estimated value, and the price should be reasonable.

Statement of Independent Expert

We have issued a fairness opinion on the disposal of property by the Company in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" and applicable laws and the "Taiwan Standards of Evaluation" of the Republic of China. We hereby declare as follows:

- I. The source of information, parameters and information of the statement of opinion issued by the person and the information used for the implementation of the operating procedures are complete, correct and reasonable, as the basis for issuing the opinion. The definition of "comprehensive, correct and reasonable" as used herein refers to the review conducted in accordance with Article 19, Article 21 and Article 23 of the Evaluation Standards Bulletin No. 8 issued by the Accounting Research and Development Foundation of the Republic of China (hereinafter referred to as the Foundation), and the Interpretation of the Foundation's (2014) Ke-Shi-Zi No. 298.
- II. Before taking on this project, the Company has verified that it meets the qualifications of Paragraph 1, Article 5 of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" and carefully evaluated the professional ability and practical experience of the Company in accordance with Subparagraph 2, Paragraph 1 of the same article.
- III. When performing this project, the Company has properly planned and implemented appropriate operating procedures to form conclusions and issue an opinion accordingly. The procedures, data collection and conclusions are detailed and recorded in the work drafts of this project.
- IV. The remuneration of this case is a certain amount and no contingent remuneration.
- V. The conclusion of this case has been set.
- VI. The person and the transaction counterparty of this case and the professional appraiser or appraiser with an evaluation opinion are not related parties or substantial related parties as defined in Subparagraph 2 and Subparagraph 3 of Paragraph 1 of Article 5 of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", and the following situations are not applicable:
 - (I) The person or the spouse is employed by the counterparty of this transaction, and is engaged in regular work, and receives fixed salary or is a director or supervisor.
 - (II) The person or his/her spouse has been a director, supervisor, manager, or employee with

significant influence on the transaction of this case, and has been dismissed or resigned for less than two years.

(III) The unit in which the person or spouse is employed is a related party of the counterparty of trade in this case.

(IV) The spouse or relatives within the second degree of kinship of any of the directors, supervisors, or managers of the Company who have a significant influence on the transaction

(V) The person or his/her spouse has a significant investment or financial interest relationship with the case.

Accountant's Resume

Tang, Ju-Yu

Currently as: Head of HORNG YOW CPA Firm

Corporate Appraiser and Securities Analyst

Education: Master of Accounting, National Taiwan University

Department of Accounting, National Chengchi University

Qualifications: R.O.C. Certified Public Accountant (CPA) (CPA since 2008)

Passed the CPA examination in the US

Passed the examination held by the Securities and Futures Institute of the Republic of China

Securities Analyst - (100) Securities Investment Analysis and Test No. 0417100286

CPA, the ROC CPA Association (Taiwan Federation of CPA Associations No. A1046)

Professional field: corporate evaluation

Opinion on the reasonableness of the price for the acquisition or disposal of assets by a public company

Securities evaluation

Corporate evaluation of financial and tax certification

Attachment 2

Federal Corporation

7th meeting minutes of the 4th term of Audit Committee

Time: 9:30 a.m., June 5, 2025 (Tuesday)

Hong Kuo Building (7F, No. 167, Dunhua North Road, Songshan District, Taipei City)

Chairperson: Wang, Chi-Lung

Recorder: Lu Hsin-Yi

Attending: Yao, Wen-Liang; Chen, Chun-Mei; Chiu, Ching-Jui; Chang, Shih-Nan

Attendance in person:

I. The Chairman calls the meeting to order (9:30)

II. Items of report:

(I) Internal audit report: None

(II) Other material items to report: None.

III. Discussion:

Case 1

Cause of motion: Disposal of assets in Guanyin Plant

Description:

1. The Company's Board of Directors has approved the permanent shutdown of Guanyin Plant and the disposal of assets on May 13, 2025. In order to comply with Article 6 of the "Corporate Mergers and Acquisitions Act" and Article 6 of the "Regulations Governing the Appointment and Related Matters of the Special Committee of Public Companies Mergers and Acquisitions", the Committee has passed the resolution of the 6th meeting of the 4th term of Audit Committee to appoint the independent expert, Mr. Tang, Ju-Yu, CPA of HORNG YOW CPA Firm to issue a fairness opinion on the fair value of the land and plant at Guanyin Plant.
2. According the reasonable opinion issued by the independent expert, Tang, Ju-Yu, HORNG YOW CPA Firm (Please refer to Attachment 1), the evaluation of the land and plant price of the Guanyin Plant is expected to be no less than NTD 6.8 billion, higher than the estimated value, and the price should be reasonable.
3. According to the resolution of the Board of Directors on May 13, 2025, the Company intended to sell the land and plant at Guanyin Plant for an amount no less than NTD 6.8 billion. The transaction price is within the reasonable range of the price evaluated by the aforementioned independent experts.
4. The proposal for the disposal of the assets of Guanyin Plant is submitted to the Committee for review on the fairness and rationality.

After taking into consideration the opinion of the independent experts on the reasonableness of the

price, the Company intends to sell the land and plant at Guanyin Plant for an amount not less than NTD 6.8 billion. The price is within the reasonable value range recommended by the experts. As for the production equipment of Guanyin Plant, it is intended to be sold at market price. In conclusion, the Committee believes that the transaction price referred to above is reasonable. In addition, the asset activation and disposal procedure of the Guanyin Plant is implemented in accordance with the Company Act, the Business Mergers and Acquisitions Act, and the Guidelines for Handling Acquisition and Disposal of Assets by Public Companies. The extraordinary shareholders' meeting authorizes the Board of Directors to handle the matter individually to balance market flexibility and procedure integrity, and the overall disposal method is fair. Therefore, all attending members unanimously agreed to pass the disposal of the assets of Guanyin Plant, and the results of the review were submitted to the Board of Directors and the shareholders' meeting of the Company.

IV. Extempore motion: None

V. Adjournment of the meeting (10:25)

Appendix

Appendix I

Federal Corporation Articles of Incorporation

Chapter 1 General Provisions

- Article 1 The Company is incorporated pursuant to the provisions of company limited by shares in the Company Act, and named as 泰豐輪胎股份有限公司 (or 泰豐輪胎公司) in Chinese, and FEDERAL CORPORATION in English.
- Article 2 The Company operates the following business:
- I. C804010: Tire Manufacturing.
 - II. C804020: Industrial Rubber Products Manufacturing.
 - III. C804990: Other Rubber Products Manufacturing
 - IV. F114030: Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories.
 - V. F114050: Wholesale of Tires.
 - VI. F214030: Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories.
 - VII. F214050: Retail Sale of Tires.
 - VIII.F299990: Other retail
 - IX. F301010: Department Store.
 - X. F301020: Supermarkets
 - XI. F399010: Convenience stores
 - XII. F401010: International Trade.
 - XIII.F501060: Restaurants.
 - XIV.G202010: Parking Area Operators.
 - XV. H701010: Housing and Building Development and Rental.
 - XVI.H701020: Industrial Factory Development and Rental.
 - XVII.H701040: Specific Area Development
 - XVIII.H701050: Investment and construction of public works.
 - XIX.H701060: New Towns and New Community Development.
 - XX. H701070: Urban and Rural Land Expropriation and Urban Land Readjustment Agencies
 - XXI.H701080: Urban Renewal Reconstruction.
 - XXII.H701090: Urban Renewal Reconstruction and Maintenance.
 - XXIII.H702010: Construction Management

XXIV.H703090: Real estate trading.
 XXV.H703100: Real Estate Leasing.
 XXVI.I102010: Investment Consulting.
 XXVII.I103060: Management Consulting
 XXVIII.I301010: Information Software Services.
 XXIX.J403010: Motion Picture Projection.
 XXX. J601010: Arts and Literature Service.
 XXXI.J701020: Amusement parks.
 XXXII.J701040: Recreational Activities Stadium.
 XXXIII.J901020: General Hotel
 XXXIV.J799990: Other Recreational Services.
 XXXV.G801010: Warehousing.
 XXXVI.ZZ99999: All business items that are not prohibited or restricted by law, except those that are subject to special approval.

- Article 3 The total amount of Company's reinvestments is not subject to the restriction set forth in the Company Act.
- Article 4 The Company may make endorsement or guarantee if required by the business.
- Article 5 The Company and the plant are located in Taoyuan City. If required, the branches, plants, or offices may be set up domestically or internationally upon the board of directors' resolutions.
- Article 6 The Company makes announcement pursuant to the Company Act and other related laws and regulations.

Chapter 2 Shares

- Article 7 The Company's capital is set at Ten Billion New Taiwan Dollars, and divided into One Billion Shares at the par value of Ten New Taiwan Dollars; the board of directors is authorized to issue the shares in batches, and some of the shares may be preferred shares.
- Article 7-1: The Company may issue preferred shares A, and the rights, obligations and other important issuance conditions shall be as follows:
- I. The maximum yield of preferred share dividend is 8% per annum, and calculated based on the issuance price per share. The dividends may be paid annually in cash, and the board of directors or the chairman authorized by the board of directors' resolution will decide the base date, to pay the dividends from the previous year. The dividends for the issuance year and collection year are calculated based on the actual days of being issued in such years.

- II. The Company has full discretion upon the distribution of such preferred share dividend. Where the Company has no surplus, or the surplus is not enough to pay the dividends up on the annual settlement, or due to other necessary consideration, the Company is entitled, upon the resolution of the board of directors, not to distribute the preferred share dividends, and such act shall not constitute a breach of the contract. The preferred shares are non-cumulative; the dividends not distributed or not fully distributed do not accumulated and deferred to be distributed in the year with surplus.
- III. The shareholders of the preferred shares, other than the dividends set forth in Subparagraph 1 of the paragraph, are not entitled to participate the distribution of earnings, the cash capital reserve, and equity capital for the common shares.
- IV. The preferred shares are not convertible to common shares.
- V. The shareholders of the preferred shares has higher seniority than the shareholders of common shares when distributing the Company's residual properties, and identical seniority of the shareholders of other preferred shares, lower than general creditors; such distribution is limited to the amount of outstanding issued preferred shares at the issuance price.
- VI. The shareholders of the preferred shares have no voting right and election right in the common shareholders' meetings, but have the voting rights in the preferred shareholders' meetings, and the shareholders meeting where the adverse proposal to the preferred shareholders' rights and obligations will be voted.
- VII. There is no expiry date for the preferred shares. The shareholders of the preferred shares are not entitled to request the Company collect the preferred shares in possession of the shareholders; provided, the Company may collect, all or in part, of the preferred shares at the original issuance price any time since the first day of the 5th year. The rights and obligations of uncollected preferred shares remain the same. Where the Company resolves to distribute dividends, the dividends to be paid as of the collection day is calculated based on the actual days of being issued of the year.
- VIII. The capital reserve from the premium issuance of the preferred shares must not set aside as equity capital other than offsetting the deficit during the issuance.

The name, issuance date, and specific issuance term of the preferred shares are authorized to the board of directors to decided at the time of issuance, depending on the capital market conditions and the investors' willingness of subscription, pursuant to the Articles

of Incorporation and related laws and regulations.

Article 7-2 The Company may issued the B-preferred shares; the rights and obligations, and other important issuance terms are set forth below:

- I. The maximum yield of preferred share dividend is 8% per annum, and calculated based on the issuance price per share. The dividends may be paid annually in cash, and the board of directors or the chairman authorized by the board of directors' resolution will decide the base date, to pay the dividends from the previous year. The dividends for the issuance year and collection year are calculated based on the actual days of being issued in such years.
- II. The Company has full discretion upon the distribution of such preferred share dividend. Where the Company has no surplus, or the surplus is not enough to pay the dividends up on the annual settlement, or due to other necessary consideration, the Company is entitled, upon the resolution of the board of directors, not to distribute the preferred share dividends, and such act shall not constitute a breach of the contract. The preferred shares are non-cumulative; the dividends not distributed or not fully distributed do not accumulated and deferred to be distributed in the year with surplus.
- III. The shareholders of the preferred shares, other than the dividends set forth in Subparagraph 1 of the paragraph, are not entitled to participate the distribution of earnings, the cash capital reserve, and equity capital for the common shares.
- IV. The preferred shares cannot be converted within 3 years upon the issuance date. The board of directors is authorized to decide the convertible period in the actual issuance terms. The shareholders of the convertible preferred shares may apply to convert all or part of the preferred shares in their possession pursuant to the issuance terms, at the ratio of one preferred share to one common share (conversion ratio: 1:1). The rights and obligations of the preferred shares, after converted to the common shares, become the same as the preferred shares. The preferred shares converted to common shares before the ex-right (dividend) date of the year, are eligible for the earning and capital reserve distribution of the common shares for the year, but not eligible for the distribution of the preferred share dividends. The preferred shares converted to common shares after the ex-right (dividend) date of the year, are eligible for distribution of the preferred share dividends, but not eligible for the earning and capital reserve distribution of the common shares. As the principle, the dividends of common shares and preferred shares are not distributed to the same shares in the

same year.

- V. The shareholders of the preferred shares have higher seniority than the shareholders of common shares when distributing the Company's residual properties, and identical seniority of the shareholders of other preferred shares, lower than general creditors; such distribution is limited to the amount of outstanding issued preferred shares at the issuance price.
- VI. The shareholders of the preferred shares have the voting rights and election rights in the common shareholders' meetings, and identical to the shareholders of common shares.
- VII. There is no expiry date for the preferred shares. The shareholders of the preferred shares are not entitled to request the Company collect the preferred shares in possession of the shareholders; provided, the Company may collect, all or in part, of the preferred shares at the original issuance price any time since the first day of the 5th year. The rights and obligations of uncollected preferred shares remain the same. Where the Company resolves to distribute dividends, the dividends to be paid as of the collection day is calculated based on the actual days of being issued of the year.
- VIII. The capital reserve from the premium issuance of the preferred shares must not set aside as equity capital other than offsetting the deficit during the issuance.

The name, issuance date, and specific issuance term of the preferred shares are authorized to the board of directors to decided at the time of issuance, depending on the capital market conditions and the investors' willingness of subscription, pursuant to the Articles of Incorporation and related laws and regulations.

Article 7-3 The Company may issued the C-preferred shares; the rights and obligations, and other important issuance terms are set forth below:

- I. The maximum yield of preferred share dividend is 4% per annum, and calculated based on the issuance price per share. The dividends may be paid annually in cash, and the board of directors or the chairman authorized by the board of directors' resolution will decide the base date, to pay the dividends from the previous year. The dividends for the issuance year and collection year are calculated based on the actual days of being issued in such years.
- II. The dividends that are not distributed when there is no surplus, or the surplus is insufficient to pay the preferred share dividends upon annual settlement, such dividends undistributed or not distributed in full shall be accumulated and made up

first in the year with surplus.

- III. The shareholders of the preferred shares, other than the dividends set forth in Subparagraph 1 of the paragraph, are not entitled to participate the distribution of earnings, the cash capital reserve, and equity capital for the common shares.
- IV. The preferred shares cannot be converted within 3 years upon the issuance date. The board of directors is authorized to decide the convertible period in the actual issuance terms. The shareholders of the convertible preferred shares may apply to convert all or part of the preferred shares in their possession pursuant to the issuance terms, at the ratio of one preferred share to one common share (conversion ratio: 1:1). The rights and obligations of the preferred shares, after converted to the common shares, become the same as the preferred shares. The preferred shares converted to common shares before the ex-right (dividend) date of the year, are eligible for the earning and capital reserve distribution of the common shares for the year, but not eligible for the distribution of the preferred share dividends. The preferred shares converted to common shares after the ex-right (dividend) date of the year, are eligible for distribution of the preferred share dividends, but not eligible for the earning and capital reserve distribution of the common shares. As the principle, the dividends of common shares and preferred shares are not distributed to the same shares in the same year.
- V. The shareholders of the preferred shares have higher seniority than the shareholders of common shares when distributing the Company's residual properties, and identical seniority of the shareholders of other preferred shares, lower than general creditors; such distribution is limited to the amount of outstanding issued preferred shares at the issuance price.
- VI. The shareholders of the preferred shares have the voting rights and election rights in the common shareholders' meetings, and identical to the shareholders of common shares.
- VII. There is no expiry date for the preferred shares. The shareholders of the preferred shares are not entitled to request the Company collect the preferred shares in possession of the shareholders; provided, the Company may collect, all or in part, of the preferred shares at the original issuance price any time since the first day of the 5th year. The rights and obligations of uncollected preferred shares remain the same. Where the Company resolves to distribute dividends, the dividends to be paid as of the collection day is calculated based on the actual days of being issued of the year.

VIII. The capital reserve from the premium issuance of the preferred shares must not set aside as equity capital other than offsetting the deficit during the issuance.

The name, issuance date, and specific issuance term of the preferred shares are authorized to the board of directors to be decided at the time of issuance, depending on the capital market conditions and the investors' willingness of subscription, pursuant to the Articles of Incorporation and related laws and regulations.

Article 8 The shares of the Company are registered shares, and are issued after sealed or signed by the director representing the Company, and certified pursuant to laws. The shares issued by the Company may be printed in the form of certificate at the total issuance shares; the shares may be exempted from printing, but shall be registered with a centralized securities depository enterprise and follow the regulations of that enterprise.

Article 9 Assignment, transfer, inheritance, gift, pledge, loss, destruction or other shareholder services, shall comply with the Company Act and related regulations. Taiwan Depository & Clearing Corporation may request to issue certificate with higher par value by combining shares.

Chapter 3 Shareholders' Meeting

Article 10 There are general and extraordinary shareholders' meetings, which shall be convened in accordance with laws. Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting and may be distributed in the form of public announcement.

Extraordinary meetings may be convened at any time as needed in accordance with relevant laws.

Shareholders' meetings may be held via video conferencing or other means as announced by the central competent authority.

Article 11 Except for restrictions in accordance with relevant laws and regulations, the Company's shareholder shall be entitled to one vote for each share held.

Article 12 The Chairperson shall preside over the meeting of shareholders. In the absence of the Chairperson, the Chairperson shall appoint a director to act as the proxy. If the Chairperson is not specified, the directors shall select from among themselves one person to act as the proxy.

Chapter 4 Directors and Audit Committee

Article 13 The Company shall have 7 to 11 seats of Directors, with term of office for 3 years, and the Directors shall be elected from among the persons of legal competence. The term of office of the Directors shall be 3 years, and they shall be eligible for re-election. The total number of registered shares held by all the Directors shall not be less than a certain percentage of the total number of paid-in capital. The percentage shall be as specified by the competent authority.

In the number of directors specified in the preceding paragraph, the number of independent directors shall not be less than three and shall not be less than one fifth of the number of directors. The election of directors shall adopt the candidate nomination system set forth in Article 192-1 of the Company Act, and the shareholders shall elect from the list of the director and independent director candidates. The approach of receiving nomination and announcement, among other matters, shall comply with the related provisions of the Company Act and Securities and Exchange Act.

The Company established the “Audit Committee” pursuant to Article 14-4 of the Securities and Exchange Act, consisting of all independent directors.

The number, term of office, power, and rules of meeting procedures of the Audit Committee shall be determined by the Audit Committee Charter that is established pursuant to the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies.

Article 14 The Chairman shall be elected by more than half of the attending directors from among themselves at a Board meeting attended by more than two-thirds of all directors. The Chairman is in charge of all business at the Company internally and represents the Company externally. The Board of Directors shall be chaired by the Chairperson of the Board of Directors. When the Chairperson of the Board of Directors is on leave or absent, the Chairperson of the Board of Directors shall designate a director to act as the proxy. If the Chairperson of the Board of Directors is not specified, the directors shall select from among themselves one person to act as the proxy. The Board of Directors shall be chaired by the Chairperson of the Board of Directors. When the Chairperson of the Board of Directors is on leave or absent, the Chairperson of the Board of Directors shall designate a director to act as the proxy. If the Chairperson of the Board of Directors is not specified, the

directors shall select from among themselves one person to act as the proxy.

- Article 15 The directors all serve as the Company's managerial officers or employees are paid with the salaries as general employees, other than the transportation subsidies to the directors.
- Article 16 The board of directors exercise the powers granted by the Company Act and shareholders' meeting. Where the board meeting cannot be held after being legally convened by listing convention causes, the chairman may be authorized to determine the originally listed convention causes within the authorization, and such decisions will be ratified when the board meeting is convened successfully.
- Article 17 Directors may appoint proxies to attend the board meeting on their behalf, but one proxy may be appointed by one director only. The board meetings may be convened in writing, by the means of fax or email.
- Article 18 The Company may cover all directors and key executives with the liability insurance.
- Article 19 The board of directors, shall be authorized to determine the Chairman's and directors' remuneration based on the degree of their participation in the Company's operations and the value of individuals' contribution, while with reference to the general standards in the industry.

Chapter 5 managers

- Article 20 The Company may appoint a number of managerial officers, whose appointment, dismissal, and remuneration shall be decided by the board of directors.

Chapter 6 Settlement and Earnings Distribution

- Article 21 The Company shall have the closing of the fiscal year from January 1 to December 31. After the close of each fiscal year, the Board of Directors shall prepare relevant reports and motions in accordance with the Company Act and submit them to the general shareholders' meeting for ratification.
- The Company's earnings distribution or loss make-up may be done after the end of each half fiscal year.
- Article 22 If the Company makes a profit in the year (referring to the income before tax before the remuneration to employees and directors is subtracted), it shall allocate 0.1% to 1% of the balance as employee remuneration and no more than 3% as directors' remuneration.

However, profits must first be reserved to offset against the cumulative deficit (including adjusted undistributed earnings), if applicable.

Said employee remuneration can be paid in stock or cash, and the recipients of the payment include employees of subsidiaries who met the criteria set by the Board of Directors. The director's remuneration in the preceding paragraph can only be paid in cash.

Employee remuneration and directors' remuneration shall be decided by the Board of Directors and reported to the shareholders' meeting.

Article 22-1 The appropriation of the Company's earnings or loss off-setting may be made at the end of each half fiscal year.

If the Company has earnings in the semi-annual and annual final accounts, after deducting taxes and covering losses of previous years, setting aside 10% as legal reserve and setting aside special reserve as required by laws, the remaining balance, if any, shall be distributed as dividends for preferred shares for the year, and then the remaining balance and the undistributed earnings at the beginning of the period (including adjustment of undistributed earnings) shall be distributed as the earnings distribution proposal prepared by the Board of Directors.

In the amount of employee remuneration referred to in the preceding paragraph, no less than 20% of the amount shall be distributed as remuneration to entry-level employees.

If the dividend is paid in cash, it shall be resolved by a majority of the Directors present at a meeting of the Board of Directors attended by two-thirds of the total number of Directors, and reported to the Shareholders Meeting. If the distribution is made by issuing new shares, it shall be submitted to the shareholders' meeting for resolution before distribution.

The Company's industry is currently in a developed stage. Considering future capital needs, a financial plan, and shareholders' interests, the Board of Directors, depending on the business performance, drafts a profit distribution proposal in a percentage from 5% to 100% and submit it to the general shareholders' meeting. The Company shall give priority to cash dividends for earnings distribution and may distribute stock dividends not higher than 80% of the total dividends to be distributed in principle. However, if there are significant investment plans, future development, and other factors, the earnings may be retained.

Chapter 7 Supplementary Provisions

Article 23 The Articles of Incorporation take effect after the resolution was adopted by the

shareholders' meeting.

Article 24 Any matter not mentioned the Articles of Incorporation shall comply with the Company Act and other laws and regulations.

Article 25 The Articles of Incorporation were established on September 19, 1955, and the 50th amendment was made on May 19, 2025.

Appendix II

Federal Corporation

Rules of Procedure for Shareholders Meetings

Article 1

In order to establish a good governance system for shareholders' meetings, improve supervisory functions and strengthen management functions, these Rules are established in accordance with Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Article 2

Unless otherwise provided by laws or the Articles of Incorporation, the Company's shareholders' meeting shall be governed by these Rules.

Article 3

Unless otherwise provided by law, the Company's shareholders' meeting shall be convened by the Board of Directors.

Any change in the method of convening a shareholders' meeting shall be resolved by the Board of Directors and made no later than before the notice of the shareholders' meeting is sent.

The Company shall upload the meeting notice, proxy form, and explanatory materials related to motions for ratification, discussion, election, or discharge of directors to the Market Observation Post System (MOPS) 30 days prior to a regular shareholders' meeting or 15 days prior to a special shareholders' meeting. If the Company's paid-in capital as of the most recent fiscal year-end reaches NT\$10 billion or more, or if the combined shareholding ratio of foreign and mainland China investors recorded in the shareholder register reaches 30% or more, the Company shall upload these electronic files to MOPS 30 days prior to the scheduled date of the regular shareholders' meeting or 15 days prior to a special shareholders' meeting. The shareholders' meeting handbook and supplementary materials shall be uploaded to MOPS 21 days prior to a regular shareholders' meeting or 15 days prior to a special shareholders' meeting. 15 days prior to the date of the shareholders' meeting, the Company shall prepare a handbook and supplementary materials for the meeting, which shall be made available for shareholders to review at any time, and shall be deposited both at the Company and the professional stock agency appointed by the Company.

The Company shall provide the shareholders with the agenda handbook and supplementary information of the meeting in the preceding paragraph in the following manner on the day of the meeting:

- I. When the shareholders' meeting is held, it shall be held on the spot.
- II. When the shareholders' meeting is held by video conference, it shall be held on the spot of the shareholders' meeting, and the electronic file shall be transmitted to the video conference platform.

III. When the Company holds a video conference, it shall upload the video to the video conference platform.

The reasons for convening a meeting shall be stated in the meeting notice and public announcement. The meeting notice may be given by electronic means if approved by the recipient. The election or discharge of directors, alteration of the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, spin-off, or any matters as set forth in Article 185, paragraph 1 of the Company Act, Article 26-1 and 43-6 of the Securities and Exchange Act, Article 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the meeting, and shall not be proposed as extempore motion.

If the convening of the shareholders' meeting has stated the full re-election of directors, and the date of office is specified, the date of office cannot be changed by extempore motions or other methods after the re-election of the shareholders' meeting.

Shareholders holding one percent or more of the total number of issued shares may propose to the Company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be included in each shareholder's meeting, and no proposal containing more than one matter shall be included in the meeting agenda. The Board of Directors may exclude a proposal submitted by a shareholder that meets any of the conditions described in Article 172-1, paragraph 4 of the Company Act. Shareholders may propose proposals to urge the Company to promote public interests or fulfill its social responsibilities. The procedures shall be in accordance with Article 172-1 of the Company Act, and one proposal shall be limited to one item. Any proposal containing more than one item will not be included in the agenda.

The Company shall announce the motions proposed by the shareholders, the written or electronic means of accepting the motions, and the location and time period for accepting the motions before the book closure date before a general meeting is held; the period for accepting the motions shall not be less than ten days.

The motions proposed by the shareholders shall be limited to 300 words. Any motion exceeding 300 words will not be included in the agenda. The shareholders shall attend the general meeting in person or entrust a third party to attend the general meeting and participate in the discussion of the motions.

The Company shall notify the shareholders of the motions being proposed and discussed before the date of the shareholders' meeting, and shall list the motions meeting the requirements of this Article in the meeting notice. The Board of Directors shall explain the reasons for not including the motions of the shareholders not listed in the agenda of the shareholders' meeting.

Article 4

Shareholders may appoint a proxy to attend the shareholders' meeting by executing a power of attorney printed by the Company, stating therein the scope of authorization.

A shareholder may only execute one proxy form and appoint one proxy only, and shall deliver the form to the Company five days prior to the scheduled date of the meeting. In case of duplicate forms, the first one delivered to the Company shall prevail. However, this does not apply to the appointment of proxy cancellation.

After the delivery of the authorization of agent to the Company, if the shareholder intends to attend the meeting in person or to exercise the voting right in writing or by way of electronic transmission, such shareholder shall notify the Company in writing for revocation of the authorization two days prior to the scheduled date of the meeting. If the revocation notice is submitted after that time, the proxy shall prevail. After the delivery of the authorization of agent to the Company, if the shareholder intends to attend the meeting by video, a written notice of proxy cancellation should be submitted to the Company two days prior to the meeting. If the cancellation notice is submitted after that time, the proxy cancellation shall be based on the voting right exercised by the proxy at the meeting.

Article 5 (Principle for the location and time of the shareholders' meeting)

The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may not start earlier than 9 a.m. or later than 3 p.m. The opinions of the independent directors shall be fully considered in determining the meeting place and time.

When the Company holds a video conference, the location of the meeting shall not be subject to the restrictions of the preceding paragraph.

Article 6 (Preparation of attendance books and other documents)

The Company shall specify in the meeting notice the time and place for shareholders, solicitors, and proxies (hereinafter referred to as shareholders) to report attendance, and other matters to be noted.

The time for accepting shareholder attendance registrations referred to in the preceding paragraph shall be at least 30 minutes before the meeting starts. The place for accepting registrations shall be clearly marked, and sufficient and appropriate personnel shall be assigned to handle the registrations. The video conference shall be held at least 30 minutes before the meeting starts, and the shareholders who complete the registration shall be deemed to have attended the meeting in person.

Shareholders shall attend the shareholders' meeting with the attendance card, sign-in card, or other documents for attending the meeting. The Company shall not arbitrarily add other documents to the proof of attendance of the shareholders. Solicitors seeking proxy forms shall bring their identity documents for verification.

The Company shall furnish a signature book for attending shareholders to sign, or attending shareholders may hand in a sign-in card instead.

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

If the shareholder is a government agency or legal person, there shall be more than one representative in the meeting. When a legal person entrusted by the Company is appointed to attend the shareholders' meeting, only one representative may be appointed to attend.

If the shareholders' meeting is convened by video conference, the shareholders who want to attend the meeting by video conference shall register to the company two days before the shareholders' meeting.

If the shareholders' meeting is convened by video conference, the Company shall upload the meeting handbook, annual report and other relevant information to the video conference platform at least 30 minutes before the meeting starts, and continue to disclose such information until the meeting is completed.

Article 6-1 (The convening of Shareholders' Meeting by video conference, the convening notice shall include the following information)

When the Company holds a shareholder meeting, it shall specify the following matters in the meeting notice

- I. Methods for shareholders to participate in video conferencing and exercise their rights.
- II. The handling methods for the video conferencing platform or video conferencing method due to natural disasters, changes in the situation or other force majeure events, including at least the following matters
 - (I) The time limit for the meeting is extended or resumed due to the said obstacles that cannot be eliminated before the date of the meeting, and the date of the meeting is postponed or resumed.
 - (II) The shareholders who do not register to attend the meeting shall not participate in the meeting in person or by proxy.
 - (III) If the shareholders' meeting cannot be held by video conference, the number of shares represented by the shareholders present at the shareholders' meeting by video conference shall be deducted from the total number of shares represented by the shareholders present at the shareholders' meeting, and the shareholders' meeting shall be continued. If the shareholders participate in the shareholders' meeting by video conference, the number of shares present at the shareholders' meeting shall be counted in the total number of shares represented by the shareholders present at the shareholders' meeting, and the shareholders shall be deemed to have waived their rights on all motions proposed at the shareholders' meeting.
 - (IV) The handling method for the motions that have been announced and not yet discussed.
- III. The Company shall convene a video conference shareholders' meeting and shall specify the appropriate substitute measures for shareholders who have difficulty in participating in the video conference shareholders' meeting.

Article 7 (Chairperson, Shareholders' Meeting, Attendance)

If the shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairperson of the Board of Directors. When the Chairperson of the Board of Directors is on leave or for any reason unable to exercise the powers of the Chairperson, the Vice Chairperson shall act in place of the Chairperson. If there is no Vice Chairperson or if the Vice Chairperson is also on leave or for any reason unable to exercise the powers of the Vice Chairperson, the Chairperson shall designate one of the Managing Directors to act in place of the Vice Chairperson. If there is no Managing Director, the Chairperson shall designate one of the Directors to act in place of the Vice Chairperson. If the Chairperson does not make such a designation, the Managing Directors or the Directors shall select from among themselves one person to act as Chairperson.

If the chairperson referred to in the preceding paragraph is an executive director or a director, he or she shall be an executive director or a director who has served the company for six months or more and who understands the company's financial and business conditions. The same shall apply if the chairperson is a representative of a juristic person director.

It is advisable that the shareholders' meeting convened by the Board of Directors be chaired by the Chairperson of the Board in person, attended by a majority of the directors in person, and attended by at least one member of each functional committee. The attendance of the members shall be recorded in the minutes of the shareholders' meeting.

If a shareholders' meeting is convened by a party with power to convene other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Company may appoint its retained lawyers, certified public accountants or related personnel to attend the shareholders' meeting in a non-voting capacity.

Article 8 (Storage of the minutes of the shareholders' meeting by voice recording or video recording)

The Company shall make an uninterrupted audio and video recording of the shareholders' meeting from the time when it is being accepted, and the voting and counting processes.

The video and audio data in the preceding paragraph shall be retained for at least one year. However, if a shareholder files a lawsuit according to Article 189 of the Company Act, the lawsuit shall be kept until the end of the lawsuit.

If the shareholders' meeting is held by video conference, the Company shall keep a record of the registration, registration, attendance, inquiry, voting and results of the Company's vote counting of the shareholders, and shall keep the video conference on record and videotape the entire process.

The Company shall properly keep the aforementioned data and audio and video recording of the meeting on record for the duration of the existence of the meeting, and the audio and video recording of the meeting shall be provided to the trustee for the custody of the trustee for the video conferencing.

Article 9

Attendance at shareholders' meetings shall be calculated based on the number of shares. The number of shares represented by the attending shareholders shall be calculated based on the attendance book records or the number of shares represented by the sign-in book, the video conferencing platform, and the number of shares with voting rights exercised in writing or electronically.

The chair shall call the meeting to order at the appointed meeting time, and announce the number of shares without voting rights and the number of shares present.

However, the Chairman may announce a postponement of the meeting if the attending shareholders do not represent a majority of the total number of issued shares. The number of such postponements shall be limited to two times, for a total of no more than one hour. If the quorum is not met after two postponements and the attending shareholders still represent less than one-third of the total number of issued shares, the chairperson shall declare the meeting adjourned. If the meeting is held by video conference, the company shall announce the meeting adjourned on the video conference platform.

If the quorum is not met after two postponements as described in the preceding paragraph, but the attending shareholders still represent less than one-third of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act. All shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. If the shareholders meeting is held by video conference, the shareholders who want to attend by video conference shall be registered again by the Company pursuant to Article 6.

If the meeting is still in progress, and the attending shareholders represent more than half of the total number of issued shares, the chair may resubmit the tentative resolution for a final decision by the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 10

If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The relevant motions shall be put to a vote, and the meeting shall proceed in accordance with the scheduled agenda, which shall not be changed without a resolution of the shareholders' meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene other than the Board of Directors.

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

The chairperson shall give sufficient time and opportunity for the shareholders to discuss the motions, amendments to the motions, or extempore motions. When the chairperson deems that the time for voting

is reached, the chairperson may announce the discussion closed, put the motions to vote, and arrange sufficient time for voting.

Article 11 (Shareholders' Statement)

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

If an attending shareholder only submits a speaker's slip but does not speak, it shall be deemed no speech. If the content of the speech is inconsistent with the speaker's slip, the content of the speech shall prevail. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed five minutes. However, the chair may terminate a shareholder's speech if the shareholder has violated the rules or exceeded the scope of the topic.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have obtained the consent of the chair and the speaking shareholder; the chair shall stop any violation. When an institutional shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has expressed an opinion, the chair may respond or direct relevant personnel to respond.

If the shareholders' meeting is convened by video conference, the shareholders who participated in the meeting by video conference may ask questions on the video conference platform in text before the meeting is adjourned. The number of questions on each proposal shall not exceed two times, and each time shall not exceed two hundred words, and the first to fifth paragraphs shall not apply.

If the aforementioned questions do not violate the rules or exceed the scope of the motion, it is advisable that such questions be disclosed on the shareholders' meeting platform for reference.

Article 12 (Calculation of Voting Shares and Excuse)

The votes cast by shareholders at a general meeting shall be calculated based on the number of shares. The number of shares held by the shareholders without voting rights shall not be counted in the total number of issued shares when the resolution of the shareholders' meeting is made.

If a shareholder has a personal interest in an agenda item that is likely to prejudice the Company's interests, he/she may not participate in the voting on that item and may not exercise voting rights on behalf of another shareholder.

The number of shares without voting rights referred to in the preceding paragraph shall not be counted in the number of voting rights of the shareholders present.

Except for a trust enterprise or a stock agency approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights of that proxy shall not exceed 3% of the voting rights of the total number of issued shares, and if that percentage is exceeded, the voting rights in excess of that percentage shall not be counted.

Article 13

Shareholders are entitled to one vote for each share held; except for restricted shares or shares without any voting rights as stated in Article 179, Paragraph 2 of the Company Act.

Not applicable to those with decision-making authority.

When the Company holds a shareholders' meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence; when voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder who exercises his/her voting rights by correspondence or electronic means shall be deemed to have attended the shareholders' meeting in person. However, the Company shall be advised to avoid proposing extempore motions and amendments to original motions at a general meeting, as it shall be deemed to have waived its voting rights on any extraordinary motions or amendments to original motions.

If the shareholder exercises his/her voting rights by way of a written ballot or by way of electronic transmission under the preceding paragraph, the intent of the shareholder shall be delivered to the Company two days prior to the scheduled date of the meeting. In case of duplicate delivery, the earliest delivery shall prevail. Unless the declaration is made to cancel the intent of expression before the declaration.

After a shareholder exercises his/her voting rights by correspondence or electronic means, if he/she wants to attend the shareholders' meeting in person or by video, he/she shall express the intent of revoking the intent expression previously made in the same manner as the revocation of the intent expression previously made in the preceding paragraph, and if the revocation is made after the deadline, the voting rights exercised by correspondence or electronic means shall prevail. If the voting rights are exercised in writing or by way of electronic transmission, and the proxy form is appointed to attend the shareholders' meeting, the voting rights exercised by the proxy at the meeting shall prevail.

Unless otherwise provided by the Company Act and the Company's Articles of Incorporation, the motion is passed by a majority of the voting rights represented by the attending shareholders. When voting, the chair or his/her designated personnel shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, the results of the votes cast for, against and abstained shall be entered into the MOPS on the same day of the meeting.

If there is an amendment or substitute to the same proposal, the Chairman shall determine the order of voting together with the original proposal. If any of the motions has been approved, the other motions shall be deemed as rejected and no further voting is required.

Scrutineers and vote counting personnel for the voting on proposals shall be appointed by the chair, provided that all scrutineers be shareholders of the Company.

The counting of votes for the motions or elections at the shareholders' meeting shall be conducted in the public place of the meeting venue, and the results of the voting, including the statistical counting of the votes, shall be announced on the spot after the counting is completed and recorded.

When the Company holds a video conference, the shareholders who participated in the video conference shall vote on each motion and the election of directors through the video conference platform after the chairperson announces the meeting. The voting shall be completed before the chairperson announces the end of the voting. If the time limit is not met, the shareholders shall be deemed to have waived their rights.

If the shareholders' meeting is convened by video conference, the results of the vote shall be counted once after the chairperson announces the end of the vote, and the results of the vote and the election shall be announced.

When the Company holds a video conference, the shareholders who have registered for the video conference in accordance with Article 6 shall attend the meeting in person. They shall revoke the registration two days before the meeting in the same manner as the revocation of the registration. If the revocation is made after that time, only the video conference may be attended.

If the shareholder exercises the voting right in writing or by way of electronic transmission, and has not revoked the intent of expression, and participates in the shareholders' meeting by way of video conferencing, except for extempore motions, the shareholder shall not exercise the voting right on the original motion or the amended motion, or the amended motion, on the original motion.

Article 14

If an election of directors is held at a shareholders' meeting, the election results, including the list of elected directors and the number of votes with which they were elected, and the list of non-elected directors and the number of votes with which they were not elected, shall be announced on the spot in accordance with the applicable election and appointment rules adopted by the Company.

The ballots for the election referred to in the preceding paragraph shall be sealed and signed by the scrutineers and kept in proper custody for at least one year. However, if a shareholder files a lawsuit according to Article 189 of the Company Act, the lawsuit shall be kept until the end of the lawsuit.

Article 15

Resolutions at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairperson of the meeting and shall be distributed to all shareholders of the company within twenty days after the close of the meeting. The preparation and distribution of the minutes of meeting on record may be done electronically.

The Company may distribute the aforementioned minutes of meeting on record by way of public announcement through the MOPS.

The minutes of meeting shall be prepared with the date, month, year, place, name of the chairperson, method of resolution, the summary of the proceedings and the result of the meeting (including the number

of votes). In case of an election of directors, the number of votes of each candidate shall be disclosed. It shall be retained for the duration of the existence of the Company.

If the shareholders' meeting is convened by video conference, the minutes of the meeting shall record the time of the meeting, the method of convening, the name of the chairperson and the minutes taker, and the handling method and handling situation of the video conference platform or the handling of the video conference when the platform is blocked by natural disasters, changes in the situation or other force majeure events.

In addition to the provisions of the preceding paragraph, the Company shall also specify in its minutes of meeting on video the substitute measures for the shareholders who have difficulty in attending the meeting in person.

Article 16 (Public Announcement)

The Company shall prepare a statistical table in the prescribed format on the day of the shareholders' meeting, and disclose the number of shares acquired by the solicitor, the number of shares represented by the proxy, and the number of shares represented by the shareholders present in writing or by way of electronic transmission, at the meeting place. If the shareholders' meeting is convened by video conference, the Company shall upload the aforementioned information to the video conference platform at least 30 minutes before the meeting starts, and continue to disclose the information until the end of the meeting.

When the Company holds a video conference, the total number of shares represented by the attending shareholders shall be disclosed on the video conference platform when the meeting is in progress. The same shall apply to the total number of shares and the number of voting rights represented by the attending shareholders, if any, at the meeting.

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

Article 17: (Maintenance of the order of the meeting venue)

Service personnel at the shareholders' meeting shall wear ID or arm badge.

The chair may direct the proctors or security personnel to help maintain the order of the meeting venue. When the proctors or security personnel assist in maintaining order at the meeting place, they shall wear an arm badge or ID card marked with the wordings of "Proctor".

If the meeting place is equipped with sound amplifying equipment, the chair may terminate any shareholder's speech unless the shareholder is using the equipment set up by the company.

If a shareholder violates the rules of procedure and is not willing to be ordered by the chair to take corrective action, the chair may direct the picket or security personnel to escort the shareholder from the meeting venue.

Article 18 (Recess, resumption of the session of the Board of Directors)

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

If the meeting venue is no longer available for continued use before the conclusion of the meeting agenda (including extempore motions) of the shareholders' meeting, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

The shareholders' meeting may be postponed or resumed within five days in accordance with Article 182 of the Company Act.

Article 19: (Disclosure of Information in Video Conference)

If the shareholders' meeting is held by video conference, the Company shall disclose the results of the motions and the results of the election on the video conference platform after the end of the poll, and shall continue to disclose the results for at least 15 minutes after the chairperson announces the meeting adjourned.

Article 20: (Depending on the location of the chairperson and the minutes taker of the shareholders' meeting)

When the Company holds a video conference, the chair and the minutes taker shall be at the same place in the country. The chair shall announce the address of the place during the meeting.

Article 21: (Processing of interrupted messages)

If the shareholders' meeting is convened by video conference, the chairperson shall announce the meeting at the time of the meeting. In addition, the chairperson shall announce that the meeting is not postponed or resumed pursuant to Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies. If the video conference platform or the video conference is blocked by natural disasters, changes in the situation, or other force majeure events for 30 minutes or more before the meeting is adjourned, the meeting shall be postponed or continued within five days. In such a case, Article 182 of the Company Act shall not apply.

If the meeting is postponed or resumed before the date of occurrence, the shareholders who are not registered shall not participate in the meeting.

If the meeting is postponed or resumed in accordance with the first paragraph, and the registered shareholders who participated in the original shareholders' meeting and completed the registration, and the shareholders who did not participate in the postponement or resumed meeting, the number of shares present at the original shareholders' meeting, the number of voting rights exercised and the number of election rights shall be counted in the total number of shares present at the meeting, the number of voting rights and the number of election rights.

If the shareholders' meeting is postponed or resumed in accordance with the first paragraph, the motion for the completed voting and counting and the results of the voting or the list of the elected directors shall not be discussed and resolved again.

If the Company holds a video conference to assist shareholders' meeting, the meeting shall be resumed when the number of shares present is still equal to the statutory number of shares present after deducting the number of shares that cannot be resumed from the video conference in the first paragraph, the meeting shall be resumed without the need to postpone or resume the meeting in accordance with the first paragraph.

The matters referred to in the preceding paragraph shall be continued, and the shareholders shall participate in the shareholders' meeting by way of video conference. The number of shares present shall be counted in the total number of shares represented by the shareholders present, but the shareholders shall be deemed to have waived their rights on all motions at the shareholders' meeting.

If the Company delays or continues the meeting in accordance with the first paragraph, it shall comply with the provisions of Paragraph 7, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, and shall complete the preparation work in accordance with the original date of the shareholders' meeting and the relevant provisions of each article.

The date of the meeting of shareholders of the public company shall be postponed or resumed in accordance with the second paragraph of Article 12, paragraph 3 of Article 13, paragraph 2 of Article 44-5, paragraph 4 of Article 44-15, and paragraph 1 of Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

Article 22: (Processing of digital gap)

When the Company holds a video conference, it shall provide appropriate substitute measures for shareholders who have difficulty in attending the meeting in a video conference manner.

Article 23

The 1st amendment was made on June 15, 2015.

The 2nd amendment was made on August 31, 2021.

The 3rd amendment was made on June 15, 2022.

Appendix III

Federal Corporation List of Shareholdings of Directors

Record date: June 2, 2025

Title	Name		Shareholding on the book closure date
			Number
Chairperson	Representative of Nankang Rubber Tire Corp., Ltd.	Kuo, Ling-Liang	148,768,000
Director		Chiang, Ching-Hsing	
Director		Chen, Yi-Chen	
Director		Jiang, Hsiu-Chen	
Independent Director	Wang, Chi-Lung		0
Independent Director	Chen, Chun-Mei		250,000
Independent Director	Yao, Wen-Liang		0
Independent Director	Chiu, Ching-Jui		0
Independent Director	Chang, Shih-Nan		0
Total number of shares held by directors (excluding independent directors)			148,768,000
Minimum number of shares held by all directors as required by law			16,000,000
Number of outstanding shares			473,329,207