2026 Annual Shareholders' Meeting

Date: May 21, 2026

Venue: Tzu Yun Hall 1, No. 108, Sec. 1, Nankan Rd., Luzhu Dist., Taoyuan City (Monarch Skyline Hotel)

Mode of Meeting: Face-to-face Meeting

Stock Code: 3290

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DONPON PRECISION INC.

2026 Annual Shareholders' Meeting

Meeting Procedure

1. Call the Meeting to Order

2. Items for Reporting

3. Items for Ratification

4. Items for Discussion

5. Extempore Motions

6. Adjournment

DONPON PRECISION INC.

Agenda of 2026 Shareholders' Meeting

Date: 9:30 a.m. on May 21, 2026 (Thursday).

Venue: Tzu Yun Hall 1, No. 108, Sec. 1, Nankan Rd., Luzhu Dist., Taoyuan City (Monarch Skyline Hotel)

1. Call the Meeting to Order and Report
2. Items for Reporting
   (1) 2025 Business Report
   (2) Audit Committee's Review Report on the 2025 Financial Statements
   (3) Report on the distribution of 2025 employees' and directors' remuneration
   (4) Report on amendment of Corporate Sustainable Development Best Practice Principles
   (5) Report on the correlation and reasonableness between the performance evaluation results of directors and managers and the content and amount of their remuneration
3. Items for Ratification
   (1) 2025 Business Report and the Financial Statements
   (2) The earnings distribution for 2025
4. Items for Discussion
   (1) Proposal for amendment to the Company's Procedures for the Acquisition or Disposal of Assets
   (2) Proposal for amendment to the Company's Guideline for Lending Funds to Others and Endorsements and Guarantees
   (3) Amendment to the Company's Rules and Procedures of Shareholders' Meeting
5. Extempore Motions
6. Adjournment

Items for Reporting

Item 1

Cause of action: 2025 Business Report, which is posted for approval.

Description: Please refer to Exhibit 1 for the Company's 2025 Business Report (pages 8-11 of this handbook).

Item 2

Cause of action: Audit Committee's Review Report on the 2025 Financial Statements, which is posted for approval.

Description: Please refer to Exhibit 2 for Audit Committee Report (page 12 of this handbook).

Item 3

Cause of action: Report on the distribution of 2025 employees' and directors' remuneration, which is posted for approval.

Description:

(1) According to the Company's Articles of Incorporation, where the Company made profit in a fiscal year, after offsetting losses of previous years, no less than 5% and no more than 5% of the remaining profit shall be set aside as the employees' remuneration and the directors' remuneration respectively.

(2) The Company made a profit of NTD256,727,436 in 2025, and proposed to set aside 5.001% as employees' remuneration (NTD12,840,000) and 4.999% as directors' remuneration (NTD12,834,000), both of which were paid in cash.

Item 4

Cause of action: Report on amendment of Corporate Sustainable Development Best Practice Principles, which is posted for approval.

Description: In accordance with the contents of Zheng-Gui-Jian-Zi No. 11400707782 Letter, certain provisions of the Company's "Corporate Sustainable Development Best Practice Principles" have been amended. Please refer to Exhibit 3 (Pages 13-14) of this handbook for the details of the amendments.

Item 5

Cause of action: Report on the correlation and reasonableness between the performance evaluation results of directors and managers and the content and amount of their remuneration, which is posted for approval.

Description:

(1) According to the "Remuneration Management Measures for Directors and Managers" of the Company, the performance of individual directors shall be evaluated, and the evaluation results shall be used as the basis for calculating the remuneration of individual directors.

(2) According to the "Operating Procedures for Employee Performance Evaluation" of the Company, the performance of individual managers shall be evaluated, and the evaluation results shall be used as the basis for calculating the remuneration of individual managers.

(3) The correlation and reasonableness between the individual performance evaluation results and the content and amount of the remuneration for directors and managers have been reviewed by the Remuneration Committee and are deemed reasonable. And the report was resolved to be approved by the Board of Directors without objection.

Items for Ratification

Item 1

Cause of action: To ratify the Company's 2025 Business Report, Financial Statements and Consolidated Financial Statements. (Proposed by the Board of Directors)

Description:

(1) The Company's 2025 Business Report and Financial Statements (including parent company only financial statements and consolidated financial statements) have been reviewed and approved by the Audit Committee and the Board of Directors, and a written review report has been issued.

(2) The above-mentioned financial statements (including the individual financial statements and the consolidated financial statements) have been audited by CPA Chen, Yen-Hui and CPA Wu, Chun-Yuan from KPMG, with an unqualified opinion audit report issued.

(3) For the various statements under this item, please refer to Exhibit 1 (Pages 8-11) and Exhibit 4 (Pages 15-30) of this handbook.

(4) The above statements are posted for acknowledgment.

Resolutions:

Item 2

Cause of action: The earnings distribution for 2025, which is posted for acknowledgment. (Proposed by the Board of Directors)

Description:

(1) The Company's undistributed earnings at the beginning of 2025 amounted to NTD 367,220,005, with a net profit after tax of NTD 220,855,535. After adding or subtracting statutory adjustments and provisions, the accumulated distributable earnings amounted to NTD 572,712,359.

(2) In accordance with the Company’s Articles of Incorporation, the Board of Directors has resolved to distribute earnings, which has been duly approved and recorded by the Board.

(3) To strengthen corporate governance and fully respect the rights of shareholders, this matter is hereby submitted to the Annual Shareholders’ Meeting for ratification.

(4) The earnings distribution table for 2025 is as follows:

DONPON PRECISION INC.

Earnings distribution table for 2025

Unit: NTD

Item	Amount
Undistributed earnings at the beginning of the period	367,220,005
Less: Changes in the remeasurement of defined benefit plans for the period	(0)
Plus: Net profit after tax in 2025	220,855,535
Less: Legal reserve	(22,085,554)
Plus: Reversal of equity deduction special reserve	6,722,373
Accumulated distributable earnings	572,712,359
Distribution item: (Note 1)	
Less: Cash dividends for shareholders (NTD1.5 per share)	(135,322,551)
Undistributed earnings at the end of the period	437,389,808

Chairman: Managers: Accounting Manager:

Note:

(1) The shareholders' dividends for 2025 amount to NTD135,322,551, all of which are intended to be paid as cash dividends at NTD1.5 per share, and the undistributed earnings at the end of the period amounted to NTD437,389,808.

(2) The earnings for 2025 will be first distributed under this earnings distribution plan.

(3) The cash dividends will be distributed to the nearest NTD (omitted if less than

NTD1) according to the shareholders recorded in the register of shareholders and their shareholding ratios as of the ex-dividend base date, and the total amount of the fractional dividends less than NTD1 will be included in other income of the Company.

(4) If the Company's share capital changes subsequently, which affects the number of outstanding shares, and the dividend distribution rate changes and must be corrected accordingly, or matters such as the determination of the ex-dividend base date arise, it is proposed to request the shareholders' meeting to authorize the Chairman to handle in his sole discretion and issue an announcement.

(5) As of March 23, 2026, the number of outstanding shares available for distribution was 90,215,034.

(5) The motion is posted for discussion.

Resolutions:

Items for Discussion

Item 1

Cause of action: Proposal for amendment to the Procedures for the Acquisition or Disposal of Assets, which is posted for discussion. (Proposed by the Board of Directors)

Description:

(1) To comply with legal regulations, in accordance with the table of Jin-Guan-Zheng-Fa-Zi No. 1140383333 Order, certain provisions of the Company's "Regulations Governing the Acquisition and Disposal of Assets" have been amended. Please refer to Exhibit 5 (Pages 31-32) of this handbook for the comparison table of the amendments.

(2) The motion is posted for discussion.

Resolutions:

Item 2

Cause of action: Proposal for amendment to the Guideline for Lending Funds to Others and Endorsements and Guarantees, which is posted for discussion. (Proposed by the Board of Directors)

Description:

(1) In accordance with current operating procedures, certain provisions of the Company's "Guideline for Lending Funds to Others and Endorsements and Guarantees" have been amended. Please refer to Exhibit 6 (Page 33) of this handbook for the comparison table of the amendments.

(2) The motion is posted for discussion.

Resolutions:

Item 3

Cause of action: Amendment to the Rules and Procedures of Shareholders’ Meeting, which is posted for discussion. (Proposed by the Board of Directors)

Description:

(1) In accordance with the amendments to Article 6 of the “Regulations Governing Content and Compliance Requirements for Shareholders' Meeting Agenda Handbooks of Public Companies” (Jin-Guan-Zheng-Jiao-Zi No. 1140385797 Order), certain provisions of the Company’s “Rules and Procedures of Shareholders’ Meeting” have been amended. Please refer to Exhibit 7 (Pages 34-35) of this handbook for the comparison table of the amendments.

(2) The motion is posted for discussion.

Resolutions:

Extempore Motions

Adjournment

(Exhibit 1)

Business Report

The Company's 2025 business results and 2026 business plan are reported as follows:

1. 2025 Business Results Report

(1) Business plan implementation results (consolidated):

Unit: NTD thousand

Item	2025	2024	Increase (decrease)	Percentage in increase/decrease (%)
Operating revenue	2,325,539	1,966,910	358,629	18.23
Operating costs	1,621,667	1,317,589	304,078	23.08
Gross profit from operations	703,872	649,321	54,551	8.40
Operating expenses	366,547	384,656	(18,109)	(4.71)
Operating profit or loss	337,325	264,665	72,660	27.45
Net non-operating income and expenditure	(31,499)	25,497	(56,996)	(223.54)
After tax profit	220,856	251,081	(30,225)	(12.04)

(2) Income statement and profitability analysis:

Unit: NTD thousand

Item		2025	2024
Financial structure	Debt to assets ratio (%)	53.64	43.37
	Ratio of long-term capital to fixed assets (%)	207.39	270.65
Solvency	Current ratio (%)	191.17	223.68
	Liquid ratio (%)	165.74	194.23
Profitability	Return on assets (%)	5.54	6.99
	Return on equity (%)	9.65	11.37
	Net profit rate (%)	9.49	12.76
	Total basic earnings per share (NTD)	2.02	2.02

(3) Implementation of budget

The Company did not disclose the financial forecast for 2025, therefore, we did not disclose the comparison between the estimated and actual figures.

(4) Research and development status:

A. In accordance with our overall operational strategy and industry development trends, the Company continues to invest in the research and development of advanced manufacturing processes and product application technologies. In response to the rapid development of emerging applications such as 5G communications, AI, and automotive electronics, the Company is actively introducing automated equipment and high-precision mold technologies, and strengthen process integration capabilities and quality stability to enhance products' added value and market competitiveness.

B. At the same time, the Company continues to deepen its precision manufacturing technologies and mold development capabilities. Through process optimization and technological innovation, we are strengthening our cost structure and production efficiency, and actively expand into high-value-added product application areas to maintain our technological leadership in the industry and enhance overall operational efficiency.

C. The total R&D expenses for 2025 were NTD 48,947 thousand.

D. The main R&D achievements in 2025 are as follows:

(A) Development of automatic cleaning systems for automotive lenses and related patent portfolio.

(B) Development and validation of lenses for in-vehicle virtual vision systems (CMS Camera electronic imaging replacing traditional physical mirrors).

(C) Implementation of software parameter adjustments and software upgrades for external/remote PTZ automotive lenses.

(D) Production of a three-module high-end 12M cam module with low optical image distortion and stepless autofocus (for conference system applications).

(E) Introduction of 5.65-100W PD Type-C high-power fast chargers into automotive application and mass production.

(F) Sample development of QI 2.2 EPP wireless chargers (compliant with the QI 2.1 automotive three-coil solution).

(G) Development of modular production technology for automotive steering wheel switches (completion of visual mechanism inspection, welding, lubrication, assembly, testing, and production module development).

(H) Promotion of mold development (mold flow analysis/3D mold detection—contact and non-contact ATOS) and integration/upgrade of intelligent manufacturing systems to enhance precision manufacturing capabilities.

Through the aforementioned R&D investments and achievements, the Company has gradually established core technologies related to automotive electronics and intelligent manufacturing, and continues to enhance its capabilities in the development and mass production of high-value-added products.

2. Overview of Business Plan for 2026

The Company continues to deepen its precision mold development and manufacturing technologies, focusing on high-precision and high-value-added product applications. Through process optimization and enhanced quality management, we are strengthening relationships with existing customers while actively expanding into new customer bases and markets to boost overall order-taking capacity and revenue growth.

Following the completion of the merger and acquisition in 2026, the Company integrated precision plastic and metal processing technologies to drive the development of integrated mechanical products and enhance its manufacturing capabilities for composite parts. In addition to expanding the scope of product applications, this initiative also helps optimize the product portfolio and gross margin structure, gradually transforming the Company from a single-process supplier into an integrated precision mechanical component supplier.

At the same time, the Company will continue to expand its overseas market presence, deepen cooperative relationships with international customers, and actively enter high-value-added industries such as automotive electronics and healthcare to establish diversified growth drivers and enhance market competitiveness.

3. Future development strategy of the Company

The Company will adopt “technology integration, supply chain optimization, and group resource integration” as its core development directions to continuously strengthen long-term competitiveness:

(1) In terms of products and technology, we will promote the integration of plastic and metal processing, develop high-precision and high-value-added composite products, enhance our overall solution capabilities, and continuously refine process technologies and quality systems to meet the needs of international customers.

(2) In terms of supply chain management, we will continue to implement supplier co-design mechanisms, integrate material selection with process planning, and enhance supply chain efficiency and cost control capabilities through post-merger capacity integration and centralized procurement management, thereby strengthening product competitiveness and ensuring consistent quality.

(3) In terms of group operation management, we will strengthen the headquarters’ coordination functions, integrate global R&D, manufacturing, and business resources, and establish cross-regional collaboration and resource-sharing mechanisms to improve overall operational efficiency and leverage group synergies. Following the completion of the merger and acquisition, the Company’s manufacturing locations will expand from Taiwan, Changshu, Dongguan, and Thailand to include Shanghai, Nanning, Vietnam, and Mexico, forming a global manufacturing network spanning Asia and the Americas. Through unified scheduling and division-of-labor mechanisms, we will enhance supply chain stability and customer service capabilities.

(4) In terms of talent and organizational development, we will continue to promote lean organization and talent cultivation, strengthen cross-location technical exchanges and experience inheritance, and establish robust knowledge management and decision support mechanisms to enhance management effectiveness and support long-term development.

4. Impact of External Competitive Environment, Regulatory Changes, and Macroeconomic Conditions

Regarding the external competitive environment, competition in the precision manufacturing industry is intensifying, with customers' demands for quality, delivery times, and cost control continuing to rise, and the trend toward supply chain restructuring accelerating. The Company will leverage technological upgrades, product differentiation, and the advantages of its global footprint to strengthen market competitiveness and maintain stable growth.

Regarding the regulatory environment, as environmental regulations and sustainable development requirements become increasingly stringent worldwide, the Company will continue to promote green manufacturing and low-carbon transformation, and implement energy conservation, carbon reduction, and resource efficiency improvements to comply with relevant regulations and enhance the Company's sustainable business capabilities.

Regarding the overall business environment, the global economy remains subject to inflationary pressures, interest rate fluctuations, geopolitical risks, and uncertainties in international trade policies. The Company will continue to optimize its supply chain layout, establish diversified supply sources, and strengthen risk management and operational flexibility to adapt to changes in the external environment, and ensure operational stability and sustainable development.

Chairman:Tai, Chien-Chang Managers:Tai, Chien-Chang Accounting Manager:Chi, Kuo-Yuan

(Exhibit 2)

Audit Committee’s Review Report

The Board of Directors has prepared the Company’s 2025 Business Report, Financial Statements (including the parent company only financial statements and the consolidated financial statements), and Proposal for Earnings Distribution, etc. Among the above, the Financial Statements (including the parent company only financial statements and the consolidated financial statements) were audited, and the audit report has been issued by CPA Chen, Yen-Hui and CPA Wu, Chun-Yuan from KPMG. The aforementioned Business Report, Financial Statements, Proposal for Earnings Distribution have been duly audited by us, the Undersigned Audit Committee and proven free of any flaw. This Audit Report is herewith presented for your information and verification in accordance with the provisions set forth under the Securities and Exchange Act and Company Act.

Yours faithfully,

DONPON PRECISION INC.
2026 Annual Shareholders’ Meeting

Chair of the Audit Committee: Wang, Hui-Ling

Published on March 31, 2026

(Exhibit 3)

Comparison table of amended clauses of
"Corporate Sustainable Development Best Practice Principles"

Article No.	Original Clause	Content of Article after Amendment	Revision Description
Article 15	The Company should consider the impact of operations on ecological benefits, promote and promote the concept of sustainable consumption, and engage in operational activities such as research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact of company operations on the natural environment and human beings: I. Reduce resource and energy consumption of products and services. II. Reduce the discharge of pollutants, toxic substances, and waste, and properly dispose of waste. III. Improve the recyclability and reuse of raw materials or products. IV. Maximize the sustainable use of renewable resources. V. Extend product durability. VI. Increase the effectiveness of products and services.	The Company should consider the impact of operations on ecological benefits, promote and promote the concept of sustainable consumption, and engage in operational activities such as research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact of company operations on the natural environment, creatures and human beings: I. Reduce resource and energy consumption of products and services. II. Reduce the discharge of pollutants, toxic substances, and waste, and properly dispose of waste. III. Improve the recyclability and reuse of raw materials or products. IV. Maximize the sustainable use of renewable resources. V. Extend product durability. VI. Increase the effectiveness of products and services. VII. <u>Enhance the conservation of marine and terrestrial biodiversity and ecosystems, the sustainable use of resources, and the equitable and reasonable benefits.</u>	Amended in accordance with current regulations
Article 21	The Company should create a good environment for employees' career development and establish an effective career capacity development training program for them. The Company should establish and implement reasonable employee welfare measures (including remuneration, leave, and other benefits) and appropriately reflect business performance and achievements in the remuneration for employees, to ensure the recruitment, retention, and encouragement of human resources to achieve the goal of sustainable operations.	The Company should create a good environment for employees' career development and establish an effective career capacity development training program for them. <u>The Company shall establish industry-academia collaboration programs to cultivate future industry talents.</u> The Company should establish and implement reasonable employee welfare measures (including remuneration, leave, and other benefits) and appropriately reflect business performance and achievements in the remuneration for employees, to ensure the recruitment, retention, and encouragement of human resources to achieve the goal of	Amended in accordance with current regulations

Article No.	Original Clause	Content of Article after Amendment	Revision Description
		sustainable operations.	
A new amendment date	These Principles shall be implemented upon approval by the Board of Directors on August 8, 2023. The 1st amendment was implemented after being approved by the Board of Directors on February 21, 2024, and reported to the Shareholders' Meeting on June 13, 2024.	These Principles shall be implemented upon approval by the Board of Directors on August 8, 2023. The 1st amendment was implemented after being approved by the Board of Directors on February 21, 2024, and reported to the Shareholders' Meeting on June 13, 2024. The second amendment was implemented after being approved by the Board of Directors on October 23, 2025.	A new amendment was added

(Exhibit 4)

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Donpon Precision Inc.:

Opinion

The consolidated balance sheet of Donpon Precision Inc. and its subsidiaries (Donpon Group) as of December 31, 2025 and 2024 and the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows from January 1 to December 31 in 2025 and 2024, and the notes to the consolidated financial statements (including the summary of major accounting policies) are audited by the CPA.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Donpon Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and 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 of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of Donpon Group for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters that, in our judgment, should be communicated on the audit report are as follows:

Revenue recognition

Please refer to Note IV(XV) of the Notes to Consolidated Financial Statements for the accounting policy on revenue recognition and Note VI(XXI) of the Notes to Consolidated Financial Statements for the explanation of revenue recognition.

Description of key audit matters:

The main business scope of the Donpon Group is the development and manufacture of molds for consumer electronics, communication networks, audio-visual, automobile industry, and medical product-related components, and the production, manufacturing, processing and sales services of plastic parts and electronic modules, etc. Since transaction terms of the sales income are subject to the terms and conditions of individual contracts, the timing of revenue recognition is a matter of great concern to CPA in performing our audit of the financial statements of the Donpon Group.

Applied auditing procedures:

CPA major procedures in the key audit matters include: understanding the major income types, contract specifications and transaction terms, and evaluating whether the timing of revenue recognition is correct; evaluating and testing the effectiveness of the design and implementation of the internal control system related to sales income; analyzing the changes in the top ten sales customers, and reviewing a sample of the original orders, delivery notes, and collection records; and selecting samples of sales income transactions for a period of time on or around the reporting date and verify related documents to evaluate the correctness of the revenue recognition period.

Other Matter

We have also audited the parent company only financial statements of Donpon Precision Inc. as of and for the years ended December 31, 2025 and 2024 on which we have issued an unqualified opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of Donpon Group.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Donpon Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or circumstances may deprive the ability of Donpon Group to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements (including the related notes), and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of Donpon Group for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG

CPA:

Securities Competent Authority Approval Certified Number	:	Chin-Kuan-Cheng-Shen-Tzu No. 1110333933 Chin-Kuan-Cheng-Shen-Tzu No. 1040007866

February 24, 2026

<u>*Notice to Readers*</u>

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.

DONPON PRECISION INC. AND SUBSIDIARIES

Consolidated Balance Sheets

As of December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

Code	Assets	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current assets:				
1100	Cash and cash equivalents (Note VI (I))	$ 1,135,924	24	1,249,280	30
1150	Notes receivable, net (Note VI (IV))	70,359	1	71,088	2
1170	Accounts receivable, net (Notes VI (IV))	354,418	7	288,317	7
1180	Accounts receivable - related parties, net (Notes VI (IV) and VII)	726,075	15	475,101	11
1200	Other receivables (Note VI (V))	499	-	337	-
1220	Current income tax assets	512	-	510	-
130X	Inventories (Note VI (VI))	264,814	6	240,349	6
1410	Prepayments	86,807	2	76,560	2
1470	Other current assets (Note VI (XI))	1,295	-	1,126	-
1476	Other financial assets - current (Notes VI (XI) and VIII)	3,000	-	4,503	-
	Total current assets	2,643,703	55	2,407,171	58
	Non-current assets:				
1510	Financial assets at fair value through profit or loss - non-current (Notes VI (II) and (XIV))	-	-	1	-
1517	Financial assets at fair value through other comprehensive income - non-current (Note VI (III))	110,370	3	93,151	2
1550	Investments accounted for using equity method (Note VI (VII))	51	-	666	-
1600	Property, plant and equipment (Notes VI (VIII) and VIII)	1,631,375	34	1,146,739	27
1755	Right-of-use assets (Note VI (IX))	247,188	5	290,028	7
1780	Intangible assets (Note VI (X))	9,908	-	11,461	-
1840	Deferred income tax assets (Note VI (VIII))	20,565	1	16,886	1
1900	Other non-current assets (Notes VI (XI) and VII)	18,271	-	131,232	3
1920	Refundable deposits	84,745	2	73,852	2
1980	Other financial assets, non-current (Notes VI (XI) and VIII)	-	-	8,693	-
	Total non-current assets	2,122,473	45	1,772,709	42
	Total assets	$ 4,766,176	100	4,179,880	100

Code	Liabilities and equity	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current liabilities:				
2100	Short-term borrowings (Notes VI (XII) and VIII)	$ 353,987	7	303,736	7
2130	Contract liabilities - current (Note VI (XXI))	31,998	1	14,689	-
2170	Accounts payable	363,380	8	326,062	8
2180	Accounts payable - related parties (Note VII)	27	-	27	-
2200	Other payables (Note VI (XVII))	286,741	6	253,053	6
2230	Current tax liabilities	38,258	1	23,668	1
2280	Lease liabilities - current (Note VI (XV))	61,023	1	56,716	1
2300	Other current liabilities	4,063	-	13,906	-
2321	Corporate bonds due within one year or one business cycle (Notes VI (XIV) and VIII)	-	-	1,569	-
2322	Long-term borrowings due within one year (Notes VI (XIII) and VIII)	243,390	5	82,720	2
	Total current liabilities	1,382,867	29	1,076,146	25
	Non-current liabilities:				
2540	Long-term borrowings (Notes VI (XIII) and VIII)	1,005,387	21	524,644	13
2550	Liability reserve - non-current (Note VI (XVI))	9,272	-	8,459	-
2570	Deferred income tax liabilities (Note VI (XVIII))	-	-	661	-
2580	Lease liabilities - non-current (Note VI (XV))	158,844	4	202,683	5
2645	Guarantee deposits	544	-	538	-
	Total non-current liabilities	1,174,047	25	736,985	18
	Total liabilities	2,556,914	54	1,813,131	43
	Equity (Notes VI (XIX)):				
3100	Share capital	902,150	19	1,287,929	31
3200	Capital surplus	516,158	11	515,444	12
3300	Retained earnings	927,578	19	706,722	17
3400	Other equity interest	(136,624)	(3)	(143,346)	(3)
	Total equity	2,209,262	46	2,366,749	57
	Total liabilities and equity	$ 4,766,176	100	4,179,880	100

(The accompanying notes are an integral part of the consolidated financial statements)

Chairman: Tai, Chien-Chang **Manager: Tai, Chien-Chang** **Accounting Manager: Chih, Kuo-Yuan**

DONPON PRECISION INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
From January 1 to December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

		2025		2024	
		Amount	**%**	**Amount**	**%**
4000	**Operating revenue** (Notes VI (XXI) and VII)	$ 2,325,539	100	1,966,910	100
5000	**Operating costs** (Notes VI (VI), (X), (XVII) and VII)	1,621,667	70	1,317,589	67
5900	**Gross profit from operations**	703,872	30	649,321	33
6000	**Operating expenses** (Notes VI (X), (XVII), (XXII) and VII):				
6100	Selling expenses	62,054	3	81,026	4
6200	General and administrative expenses	250,347	11	249,594	13
6300	Research and development expenses	48,947	2	50,665	3
6450	Expected credit impairment loss (Note VI (IV))	5,199	-	3,371	-
	Total operating expenses	366,547	16	384,656	20
6900	**Net operating income**	337,325	14	264,665	13
7000	**Non-operating income and expenses:**				
7100	Interest income (Note VI (XXIII))	25,834	1	23,192	1
7010	Other receivables (Note VI (XXIII))	8,685	-	10,037	1
7020	Other gains and losses (Notes VI (XIV) and (XXIII))	(30,750)	(1)	18,518	1
7050	Finance costs (Notes VI (XIV), (XV) and (XXIII))	(34,653)	(1)	(24,156)	(1)
7060	Share of profit of associates and joint ventures accounted for using equity method	(615)	-	(2,094)	-
		(31,499)	(1)	25,497	2
7900	**Net profit before tax**	305,826	13	290,162	15
7950	**Income tax expenses (profits)** (Note VI (XVIII))	84,970	4	39,081	2
	Profit	220,856	9	251,081	13
8300	**Other comprehensive income:**				
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**				
8311	Remeasurement of defined benefit obligation (Note VI (XVII))	-	-	(71)	-
8316	Unrealized gain on investments in equity instruments at fair value through other comprehensive income (Note VI (XIX))	12,205	1	(17,636)	(1)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Total components of other comprehensive income that will not be reclassified to profit or loss	12,205	1	(17,707)	(1)
8360	**Components of other comprehensive income (loss) that will be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements (Note VI (XIX))	(5,483)	-	94,600	5
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Total components of other comprehensive income that will be reclassified to profit or loss	(5,483)	-	94,600	5
8300	**Current period other comprehensive income (net of tax)**	6,722	1	76,893	4
8500	**Total comprehensive income in current period (attributable to the parent company)**	$ 227,578	10	327,974	17
	Earnings per share (NTD) (Note VI (XX))				
9750	**Earnings per share - basic**	$	2.02		2.02
9850	**Earnings per share - diluted**	$	2.01		1.95

(The accompanying notes are an integral part of the consolidated financial statements)

Chairman: Tai, Chien-Chang **Manager: Tai, Chien-Chang** **Accounting Manager: Chih, Kuo-Yuan**

DONPON PRECISION INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

From January 1 to December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of the parent company									
			Retained earnings				Other equity interest			
	Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) on financial assets at fair value through other comprehensive income	Total	Total equity
Balance as of January 1, 2024	$ 1,225,201	463,588	134,556	210,518	233,158	578,232	(187,946)	(32,364)	(220,310)	2,046,711
Profit	-	-	-	-	251,081	251,081	-	-	-	251,081
Other comprehensive income in the current period	-	-	-	-	(71)	(71)	94,600	(17,636)	76,964	76,893
Total comprehensive income in current period	-	-	-	-	251,010	251,010	94,600	(17,636)	76,964	327,974
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	12,135	-	(12,135)	-	-	-	-	-
Special reserve	-	-	-	34,157	(34,157)	-	-	-	-	-
Cash dividends	-	-	-	-	(122,520)	(122,520)	-	-	-	(122,520)
	-	-	12,135	34,157	(168,812)	(122,520)	-	-	-	(122,520)
Convertible corporate bond conversion	62,728	51,856	-	-	-	-	-	-	-	114,584
Balance as of December 31, 2024	**$ 1,287,929**	**515,444**	**146,691**	**244,675**	**315,356**	**706,722**	**(93,346)**	**(50,000)**	**(143,346)**	**2,366,749**
Balance as of January 1, 2025	$ 1,287,929	515,444	146,691	244,675	315,356	706,722	(93,346)	(50,000)	(143,346)	2,366,749
Profit	-	-	-	-	220,856	220,856	-	-	-	220,856
Other comprehensive income in the current period	-	-	-	-	-	-	(5,483)	12,205	6,722	6,722
Total comprehensive income in current period	-	-	-	-	220,856	220,856	(5,483)	12,205	6,722	227,578
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	25,100	-	(25,100)	-	-	-	-	-
Special reserve	-	-	-	(76,964)	76,964	-	-	-	-	-
	-	-	25,100	(76,964)	51,864	-	-	-	-	-
Cash capital reduction	(386,636)	-	-	-	-	-	-	-	-	(386,636)
Convertible corporate bond conversion	857	714	-	-	-	-	-	-	-	1,571
Balance as of December 31, 2025	**$ 902,150**	**516,158**	**171,791**	**167,711**	**588,076**	**927,578**	**(98,829)**	**(37,795)**	**(136,624)**	**2,209,262**

(The accompanying notes are an integral part of the consolidated financial statements)

Chairman: Tai, Chien-Chang **Manager: Tai, Chien-Chang** **Accounting Manager: Chih, Kuo-Yuan**

DONPON PRECISION INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
From January 1 to December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

		2025	2024
Cash flows from operating activities:			
Profit before tax	$	305,826	290,162
Adjustments:			
Adjustments to reconcile profit (loss):			
Depreciation expense		154,414	150,120
Amortization expense		5,323	6,588
Expected credit impairment loss		5,199	3,371
Net losses on financial assets or liabilities at fair value through profit or loss		1	190
Interest expenses		34,162	21,582
Interest income		(25,834)	(23,192)
Share of profit of associates and joint ventures accounted for using equity method		615	2,094
Gain on disposal of property, plant and equipment		(2,155)	(1,523)
Transfer cost of property, plant and equipment		-	71
Loss (Gain) on lease contract modification		(49)	45
Total adjustments to reconcile		171,676	159,346
Changes in operating assets and liabilities:			
Changes in operating assets:			
Decrease (Increase) in notes receivable		947	(36,788)
Decrease (Increase) in accounts receivable		(68,872)	28,908
Accounts receivable - decrease (increase) in related parties		(242,420)	9,041
Increase in other receivables		(253)	(73)
Increase in inventory		(21,902)	(35,456)
Increase in prepayments		(8,441)	(40,061)
Decrease (Increase) in other current assets		(160)	147
Decrease in net defined benefit asset		-	244
Total changes in operating assets		(341,101)	(74,038)
Changes in operating liabilities:			
Increase (Decrease) in contract liabilities		17,188	(1,044)
Increase in accounts payable		34,936	34,064
Accounts payable - decrease in related parties		-	(47)
Increase in other payables		11,368	52,369
Increase in liability reserve		742	4,498
Increase (Decrease) in other current liabilities		(9,908)	7,519
Total changes in operating liabilities		54,326	97,359
Cash inflow generated from operations		190,727	472,829
Interest received		25,930	23,029
Interest paid		(33,546)	(19,476)
Income taxes paid		(75,360)	(100,936)
Net cash flows from operating activities		107,751	375,446
Cash flows from (used in) investing activities:			
Acquisition of financial assets at fair value through other comprehensive income		(5,014)	(77,072)
Acquisition of property, plant and equipment		(405,503)	(363,005)
Proceed from disposal of property, plant and equipment		4,832	3,001
Acquisition of intangible assets		(3,798)	(3,315)
Increase in refundable deposits paid		(8,515)	(59,220)
Decrease in other financial assets		10,196	101,024
Increase in other non-current assets		(3,959)	(4)
Decrease (Increase) in prepayments for equipment		4,062	(122,715)
Net cash flows used in investing activities		(407,699)	(521,306)
Cash flows from (used in) financing activities:			
Increase in short-term borrowings		709,078	843,736
Decrease in short-term borrowings		(660,183)	(835,000)
Proceeds from short-term bills payable		-	60,000
Repayments of short-term bills payable		-	(90,000)
Long-term borrowings		742,057	322,174
Repay long-term borrowings		(109,573)	(99,747)
Increase in deposits received		4	486
Payment of lease liabilities		(59,486)	(60,665)
Cash dividends paid		-	(122,492)
Cash capital reduction		(386,636)	-
Net cash flows from financing activities		235,261	18,492
Effect of exchange rate fluctuations on cash held		(48,669)	47,608
Net decrease in cash and cash equivalents		(113,356)	(79,760)
Cash and cash equivalents at beginning of period		1,249,280	1,329,040
Cash and cash equivalents at end of period	$	**1,135,924**	**1,249,280**

(The accompanying notes are an integral part of the consolidated financial statements)

Chairman: Tai, Chien-Chang **Manager: Tai, Chien-Chang** **Accounting Manager: Chih, Kuo-Yuan**

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Donpon Precision Inc.:

Opinion

The balance sheet of Donpon Precision Inc. as of December 31, 2025 and 2024 and the statement of comprehensive income, statement of changes in equity, statement of cash flows from January 1 to December 31 in 2025 and 2024, and the notes to the parent company only financial statements (including the summary of major accounting policies) are audited by the CPA.

According to the audit results of the CPA, the above parent company only financial statements of Donpon Precision Inc. were prepared according to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, which properly express the financial position of Donpon Precision Inc. as of December 31, 2025 and 2024, and the financial performance and cash flow from January 1 to December 31 in 2025 and 2024.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2025 of Donpon Precision Inc. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters that, in our judgment, should be communicated on the audit report are as follows:

Revenue recognition

Please refer to Note IV(XIII) of the Notes to Parent Company Only Financial Statements for the accounting policy on revenue recognition and Note VI(XX) of the Notes to Parent Company Only Financial Statements for the explanation of revenue recognition.

Description of key audit matters:

The main business scope of the Donpon Precision Inc. is the development and manufacture of molds for consumer electronics, communication networks, audio-visual and automobile industry related components, and the production, manufacturing, processing and sales services of plastic parts and electronic modules, etc. Since transaction terms of the sales income are subject to the terms and conditions of individual contracts, the timing of revenue recognition is a matter of great concern to CPA in performing our audit of the financial statements of the Donpon Precision Inc.

Applied auditing procedures:

CPA major procedures in the key audit matters include: understanding the major income types, contract specifications and transaction terms, and evaluating whether the timing of revenue recognition is correct; evaluating and testing the effectiveness of the design and implementation of the internal control system related to sales income; analyzing the changes in the top ten sales customers, and reviewing a sample of the original orders, delivery notes, and collection records; and selecting samples of sales income transactions for a period of time on or around the reporting date and verify related documents to evaluate the correctness of the revenue recognition period.

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

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

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

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

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of Donpon Precision Inc.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Donpon Precision Inc. to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or circumstances may deprive the ability of Donpon Precision Inc. to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements (including the related notes), and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the invested companies measured using equity method to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion on Donpon Precision Inc.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of Donpon Precision Inc. for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG

CPA:

Securities Competent Authority Approval Certified Number	:	Chin-Kuan-Cheng-Shen-Tzu No. 1110333933 Chin-Kuan-Cheng-Shen-Tzu No. 1040007866

February 24, 2026

<u>*Notice to Readers*</u>

The accompanying parent company only financial statements are intended only to present the parent company only 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 parent company only financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying parent company only 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 parent company only financial statements shall prevail.

DONPON PRECISION INC.

BALANCE SHEETS

As of December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

Code	Assets	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current assets:				
1100	Cash and cash equivalents (Note VI (I))	$ 431,615	11	306,929	9
1170	Accounts receivable, net (Notes VI (IV))	79,843	2	51,186	1
1180	Accounts receivable - related parties, net (Notes VI (IV) and VII)	380,144	10	314,313	9
1220	Current income tax assets	507	-	507	-
130X	Inventories (Note VI (I))	54,858	2	31,353	1
1470	Other current assets (Note VI (X))	7,972	-	8,353	-
1476	Other financial assets - current (Notes VI (X) and VIII)	3,000	-	4,503	-
	Total current assets	957,939	25	717,144	20
	Non-current assets:				
1510	Financial assets at fair value through profit or loss - non-current (Notes VI (II) and (XIV))	-	-	1	-
1517	Financial assets at fair value through other comprehensive income - non-current (Note VI (III))	95,399	2	77,276	2
1550	Investments accounted for using equity method (Note VI (VI))	2,326,078	61	2,324,682	65
1600	Property, plant and equipment (Notes VI (VII) and VIII)	424,268	11	425,448	12
1755	Right-of-use assets (Note VI (VIII))	10,127	-	5,719	-
1780	Intangible assets (Note VI (IX))	1,224	-	1,609	-
1840	Deferred income tax assets (Note VI (VII))	19,987	1	16,309	1
1900	Other non-current assets (Notes VI (X) and VII)	6,119	-	13,091	-
1980	Other financial assets, non-current (Notes VI (X) and VIII)	-	-	8,693	-
	Total non-current assets	2,883,202	75	2,872,828	80
	Total assets	$ 3,841,141	100	3,589,972	100

Code	Liabilities and equity	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current Liabilities:				
2100	Short-term borrowings (Notes VI (XI))	$ 130,000	3	270,000	8
2130	Contract liabilities - current (Note VI (XX))	23,951	1	9,396	-
2170	Accounts payable	51,818	1	46,077	1
2180	Accounts payable - related parties (Note VII)	475,564	13	421,907	12
2200	Other payables (Note VI (XVI))	72,289	2	68,836	2
2230	Current tax liabilities	13,988	-	3,067	-
2280	Lease liabilities - current (Note VI (XV))	3,989	-	1,903	-
2300	Other current liabilities (Notes VI (XII))	1,545	-	10,797	1
2321	Corporate bonds due within one year or one business cycle (Notes VI (XIV) and VIII)	-	-	1,569	-
2322	Long-term borrowings due within one year (Notes VI (XIII) and VIII)	220,221	6	82,720	2
	Total current liabilities	993,365	26	916,272	26
	Non-current liabilities:				
2540	Long-term borrowings (Notes VI (XIII) and VIII)	632,242	16	302,470	8
2570	Deferred income tax liabilities (Note VI (XVII))	-	-	661	-
2580	Lease liabilities - non-current (Note VI (XV))	6,272	-	3,820	-
	Total non-current liabilities	638,514	16	306,951	8
	Total liabilities	1,631,879	42	1,223,223	34
	Equity (Notes VI (XVIII)):				
3100	Share capital	902,150	24	1,287,929	36
3200	Capital surplus	516,158	13	515,444	14
3300	Retained earnings	927,578	24	706,722	20
3400	Other equity interest	(136,624)	(3)	(143,346)	(4)
	Total equity	2,209,262	58	2,366,749	66
	Total liabilities and equity	$ 3,841,141	100	3,589,972	100

(The accompanying notes are an integral part of the parent company only financial statements)

Chairman: Tai, Chien-Chang **Manager: Tai, Chien-Chang** **Accounting Manager: Chih, Kuo-Yuan**

DONPON PRECISION INC.
STATEMENTS OF COMPREHENSIVE INCOME
From January 1 to December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

Code	Item	2025 Amount	2025 %	2024 Amount	2024 %
4000	**Operating revenue** (Notes VI (XX) and VII)	$ 1,163,116	100	1,068,400	100
5000	**Operating costs** (Notes VI (V), (IX), (XVI) and VII)	1,019,348	88	941,573	88
5900	**Gross profit from operations**	143,768	12	126,827	12
6000	**Operating expenses** (Notes VI (IX), (XVI), (XXI) and VII):				
6100	Selling expenses	28,739	3	20,670	2
6200	General and administrative expenses	110,280	9	94,251	9
6300	Research and development expenses	13,858	1	14,472	1
	Total operating expenses	152,877	13	129,393	12
6900	**Net operating loss**	(9,109)	(1)	(2,566)	-
7000	**Non-operating income and expenses:**				
7100	Interest income (Note VI (XXII))	7,052	1	5,529	1
7010	Other receivables (Note VI (XXII))	844	-	872	-
7020	Other gains and losses (Notes VI (XIV) and (XXII))	(1,528)	-	6,875	1
7050	Finance costs (Notes VI (XIV), (XV) and (XXII))	(18,957)	(2)	(18,582)	(2)
7070	Share of profit and loss of subsidiaries, associates and joint ventures accounted for using equity method	252,752	22	257,106	24
		240,163	21	251,800	24
7900	**Net profit before tax**	231,054	20	249,234	24
7950	**Income tax expenses (profits)** (Note VI (XVII))	10,198	1	(1,847)	-
	Profit	220,856	19	251,081	24
8300	**Other comprehensive income:**				
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**				
8311	Remeasurement of defined benefit obligation (Note VI (XVI))	-	-	(71)	-
8316	Unrealized gain on investments in equity instruments at fair value through other comprehensive income (Note VI (XVIII))	12,205	1	(17,636)	(2)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (Note VI (XVII))	-	-	-	-
	Total components of other comprehensive income that will not be reclassified to profit or loss	12,205	1	(17,707)	(2)
8360	**Components of other comprehensive income (loss) that will be reclassified to profit or loss**				
8380	Share of other comprehensive income or loss of subsidiaries, associates and joint ventures accounted for using equity method - Items that may be reclassified to profit or loss (Note VI (XVIII))	(5,483)	-	94,600	9
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss (Note VI (XVII))	-	-	-	-
	Total components of other comprehensive income that will be reclassified to profit or loss	(5,483)	-	94,600	9
8300	**Current period other comprehensive income (net of tax)**	6,722	1	76,893	7
8500	**Total comprehensive income in current period (attributable to the parent company)**	**$ 227,578**	**20**	**327,974**	**31**
	Earnings per share (NTD) (Note VI (XIX))				
9750	**Earnings per share - basic**	**$**	**2.02**		**2.02**
9850	**Earnings per share - diluted**	**$**	**2.01**		**1.95**

(The accompanying notes are an integral part of the parent company only financial statements)

Chairman: Tai, Chien-Chang **Manager: Tai, Chien-Chang** **Accounting Manager: Chih, Kuo-Yuan**

DONPON PRECISION INC.

STATEMENTS OF CHANGES IN EQUITY

From January 1 to December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

			Retained earnings				Other equity interest			
	Share capital	**Capital surplus**	**Legal reserve**	**Special reserve**	**Unappropriated earnings**	**Total**	**Exchange differences on translation of foreign financial statements**	**Unrealized gain (loss) on financial assets at fair value through other comprehensive income**	**Total**	**Total equity**
Balance as of January 1, 2024	$ 1,225,201	463,588	134,556	210,518	233,158	578,232	(187,946)	(32,364)	(220,310)	2,046,711
Profit	-	-	-	-	251,081	251,081	-	-	-	251,081
Other comprehensive income in the current period	-	-	-	-	(71)	(71)	94,600	(17,636)	76,964	76,893
Total comprehensive income in current period	-	-	-	-	251,010	251,010	94,600	(17,636)	76,964	327,974
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	12,135	-	(12,135)	-	-	-	-	-
Special reserve	-	-	-	34,157	(34,157)	-	-	-	-	-
Cash dividends	-	-	-	-	(122,520)	(122,520)	-	-	-	(122,520)
	-	-	12,135	34,157	(168,812)	(122,520)	-	-	-	(122,520)
Convertible corporate bond conversion	62,728	51,856	-	-	-	-	-	-	-	114,584
Balance as of December 31, 2024	**$ 1,287,929**	**515,444**	**146,691**	**244,675**	**315,356**	**706,722**	**(93,346)**	**(50,000)**	**(143,346)**	**2,366,749**
Balance as of January 1, 2025	$ 1,287,929	515,444	146,691	244,675	315,356	706,722	(93,346)	(50,000)	(143,346)	2,366,749
Profit	-	-	-	-	220,856	220,856	-	-	-	220,856
Other comprehensive income in the current period	-	-	-	-	-	-	(5,483)	12,205	6,722	6,722
Total comprehensive income in current period	-	-	-	-	220,856	220,856	(5,483)	12,205	6,722	227,578
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	25,100	-	(25,100)	-	-	-	-	-
Special reserve	-	-	-	(76,964)	76,964	-	-	-	-	-
	-	-	25,100	(76,964)	51,864	-	-	-	-	-
Cash capital reduction	(386,636)	-	-	-	-	-	-	-	-	(386,636)
Convertible corporate bond conversion	857	714	-	-	-	-	-	-	-	1,571
Balance as of December 31, 2025	**$ 902,150**	**516,158**	**171,791**	**167,711**	**588,076**	**927,578**	**(98,829)**	**(37,795)**	**(136,624)**	**2,209,262**

(The accompanying notes are an integral part of the parent company only financial statements)

Chairman: Tai, Chien-Chang **Manager: Tai, Chien-Chang** **Accounting Manager: Chih, Kuo-Yuan**

DONPON PRECISION INC.
STATEMENTS OF CASH FLOW
From January 1 to December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from operating activities:		
Profit before tax	$ 231,054	249,234
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	23,552	21,638
Amortization expense	1,260	1,638
Net losses on financial assets or liabilities at fair value through profit or loss	1	190
Interest expenses	18,466	16,401
Interest income	(7,052)	(5,529)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	(252,752)	(257,106)
Loss on lease contract modification	-	45
Total adjustments to reconcile	(216,525)	(222,723)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Increase in accounts receivable	(28,657)	(106)
Accounts receivable - increase in related parties	(65,831)	(49,728)
Decrease (Increase) in inventory	(23,505)	4,436
Decrease (Increase) in other current assets	381	(2,264)
Decrease in net defined benefit asset	-	244
Total changes in operating assets	(117,612)	(47,418)
Changes in operating liabilities:		
Increase in contract liabilities	14,555	3,906
Increase in accounts payable	5,741	9,197
Accounts payable - increase in related parties	53,657	75,506
Increase in other payables	2,982	16,375
Increase (Decrease) in other current liabilities	(9,252)	10,069
Total changes in operating liabilities	67,683	115,053
Cash inflow (outflow) generated from operations	(35,400)	94,146
Interest received	7,052	5,529
Interest paid	(17,993)	(11,650)
Income taxes paid	(3,616)	(6,901)
Net cash inflow (outflow) from operating activities	(49,957)	81,124
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(5,014)	(77,072)
Obtain investments accounted for using equity method	(145,941)	-
Return of capital from subsidiary's capital reduction	390,910	158,307
Acquisition of property, plant and equipment	(18,740)	(1,286)
Acquisition of intangible assets	(875)	(1,056)
Increase in refundable deposits paid	(1,674)	(681)
Decrease in other financial assets	10,196	101,024
Decrease (Increase) in other non-current assets	(1,846)	1,155
Decrease (Increase) in prepayments for equipment	10,176	(10,596)
Net cash inflow from investing activities	237,192	169,795
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	450,000	810,000
Decrease in short-term borrowings	(590,000)	(835,000)
Proceeds from short-term bills payable	-	60,000
Repayments of short-term bills payable	-	(90,000)
Long-term borrowings	576,846	100,000
Repay long-term borrowings	(109,573)	(99,747)
Payment of lease liabilities	(3,186)	(1,043)
Cash dividends paid	-	(122,492)
Cash capital reduction	(386,636)	-
Net cash outflow from financing activities	(62,549)	(178,282)
Net increase in cash and cash equivalents	124,686	72,637
Cash and cash equivalents at beginning of period	306,929	234,292
Cash and cash equivalents at end of period	$ 431,615	306,929

(The accompanying notes are an integral part of the parent company only financial statements)

Chairman: Tai, Chien-Chang **Manager: Tai, Chien-Chang** **Accounting Manager: Chih, Kuo-Yuan**

(Exhibit 5)

Table of Amendments to the
"Regulations Governing the Acquisition and Disposal of Assets"

Article No.	Original Clause	Content of Article after Amendment	Revision Description
Article 8	1. (2) For public companies whose paid-in capital is NTD10 billion or more, the transaction amount reaches NTD1 billion or more. (This paragraph is newly added) 2. (This paragraph is newly added) Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NTD500 million. (This paragraph is newly added)	1. (2) For public companies whose paid-in capital is more than NTD10 billion <u>and less than NTD50 billion</u>, the transaction amount reaches NTD1 billion or more. (3) <u>For public companies whose paid-in capital is NTD50 billion or more, the transaction amount reaches 5% of or more of the company's paid-in capital.</u> 2. (1) <u>For public companies engaged in construction operations that acquire or dispose of property or rights-of-use assets for construction purposes, where the counterparty is not a related party, and the transaction amount reaches NTD500 million or more; among these, for public companies with paid-in capital of NTD10 billion or more that dispose of property from self-developed and completed construction projects, where the counterparty is not a related party, and the transaction amount reaches NTD1 billion or more.</u> (2) Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NTD500 million. (3) <u>For public companies with paid-in capital of NTD50 billion or more, the trading of government bonds, ordinary corporate bonds, and general financial bonds not involving equity (excluding subordinated bonds) on</u>	Amended in accordance with current regulations

Article No.	Original Clause	Content of Article after Amendment	Revision Description
		securities exchanges or OTC markets, provided that the transaction does not fall under any of the exceptions listed in the proviso to Subparagraph 8 and the counterparty is not a related party, where the transaction amount reaches 5% or more of the Company's paid-in capital.	
Article 25	(This paragraph is newly added)	For the provisions of 10 percent of total assets under these Regulations, the total assets stated in the most recent parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used. Where the Company's shares have no par value or a par value per share other than NTD10, the transaction amount requirement of 20% of paid-in capital under these Regulations shall be calculated based on 10% of equity attributable to owners of the parent company; the transaction amount requirement of 5% of paid-in capital under these Regulations shall be calculated based on 2.5% of equity attributable to owners of the parent company; the transaction amount requirement of paid-in capital reaching NTD10 billion under these Regulations shall be calculated based on equity attributable to owners of the parent company of NTD20 billion; the transaction amount requirement of paid-in capital reaching NTD50 billion under these Regulations shall be calculated based on equity attributable to owners of the parent company of NTD100 billion.	Amended in accordance with current regulations

(Exhibit 6)

Table of Amendments to the "Guideline for Lending Funds to Others and Endorsements and Guarantees"

Article No.	Original Clause	Content of Article after Amendment	Revision Description
Article 9	(Subparagraphs 1 to 3 are omitted) 4. If endorsement/guarantee documents or instruments need to be released due to debt repayment or renewal, the company receiving the endorsement/guarantee shall prepare a <u>formal letter to deliver the original endorsement/guarantee documents</u> to the Company's Finance Department for cancellation by affixing a cancellation stamp, which will then be <u>returned</u>; the <u>application letter</u> shall be retained for reference. 5. The Company's handling of endorsement and guarantee matters shall be subject to the approval of the Board of Directors. The Board of Directors may authorize the Chairman to act in advance within the limits specified in Article 8 in accordance with the relevant provisions of these Procedures, subject to subsequent ratification by the Board of Directors, and to report the details of such actions to the Shareholders' Meeting for reference. 6. The Company shall use the corporate seal registered with the Ministry of Economic Affairs as the dedicated seal for endorsement and guarantee. The seal and the guaranteed instruments shall be kept by designated personnel, respectively, and the seal shall be affixed and instruments issued in accordance with prescribed procedures. <u>Any appointment, dismissal, or transfer of the seal custodian shall be subject to the approval of the Board of Directors</u>. (Omitted below)	(Subparagraphs 1 to 3 are omitted) 4. If endorsement/guarantee documents or instruments need to be released due to debt repayment or renewal, the company receiving the endorsement/guarantee shall deliver the original documents bearing the cancellation seal to <u>the Company's Finance Department for retention and reference</u>. 5. The Company's handling of endorsement and guarantee matters shall be subject to the approval of the Board of Directors. The Board of Directors authorizes the Chairman to act in advance within the limits specified in Article 8 in accordance with the provisions of these Procedures, subject to subsequent ratification by the Board of Directors, and to report the details of such actions to the Shareholders' Meeting for reference. 6. The Company shall use the corporate seal registered with the Ministry of Economic Affairs as the dedicated seal for endorsement and guarantee. The seal and the guaranteed instruments shall be kept by designated personnel, respectively, and the seal shall be affixed and instruments issued in accordance with prescribed procedures. (Omitted below)	Amended in accordance with current procedures

(Exhibit 7)

Comparison table of amended clauses of Rules and Procedures of Shareholders' Meeting

Article No.	Original Clause	Content of Article after Amendment	Revision Description
Article 3	(Subparagraphs 1 to 3 are omitted) The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a regular shareholders' meeting or 15 days before the date of a special shareholders' meeting. <u>The Company shall also prepare electronic versions of the rules of procedure manual of shareholders' meeting and supplementary information, and upload them to the MOPS 21 days before the date of a regular shareholders' meeting or 15 days before the date of a special shareholders' meeting. However, if the Company's paid-in capital reached NTD10 billion or more as of the end of the most recent fiscal year, or if the shareholding ratio of shareholders from foreign countries and Chinese Mainland recorded in the register of shareholders reached 30% or more at a regular shareholders' meeting held in the most recent fiscal year, the Company should complete the transmission of electronic files 30 days before the meeting.</u> In addition, 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated. (Omitted below)	(Subparagraphs 1 to 3 are omitted) The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, <u>the shareholders' meeting handbook, and supplementary meeting materials</u>, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a regular shareholders' meeting or 15 days before the date of a special shareholders' meeting. In addition, 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated. (Omitted below)	Amended in accordance with laws and regulations (expanded timeline and scope for information disclosure)

Article No.	Original Clause	Content of Article after Amendment	Revision Description
Article 13	(Subparagraphs 1 to 6 are omitted) Newly added in this amendment.	<u>Where a shareholders' meeting includes a proposal for the election of directors and the number of candidates exceeds the number of seats to be filled, or includes a proposal for the removal of directors, or involves proposals specified in Article 185, Article 316 of the Company Act, or Article 18, Article 27, Article 29, and Article 35 of the Business Mergers and Acquisitions Act, Article 24, Paragraph 2, Subparagraph 1, and Article 26, Paragraph 2, Subparagraph 1 of the Financial Holding Company Act, the chairperson shall designate a lawyer, CPA, or notary public to serve as a scrutineer. The person designated by the Chairperson pursuant to the preceding paragraph shall not be responsible for matters related to the voting procedure, nor shall such person be a director, manager, or employee of the Company or any of its affiliated enterprises. The scrutineer shall supervise the voting and vote-counting processes and sign the election results table. If a scrutineer is designated pursuant to Paragraph 8, the minutes of the shareholders' meeting shall specify the scrutineer's name and title."</u>	Amended in accordance with laws and regulations (strengthening of the scrutineer system; addition of provisions for "independent scrutineers")

(Appendix 1)

DONPON PRECISION INC.

Corporate Sustainable Development Best Practice Principles (before amendment)

Chapter 1. General Principles

Article 1.

In order to practice corporate social responsibility and promote economic, environmental, and social progress to achieve the goal of sustainable development, please refer to the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies", the Company's Corporate Sustainable Development Best Practice Principles (hereinafter referred to as the "Principles") have been formulated to manage its economic, environmental and social risks and impacts.

Article 2.

These Principles apply to the Company and its subsidiaries. While engaged in business operations, the Company actively practices sustainable development in order to comply with international development trends, and through corporate citizenship, it enhances national economic contribution, improves the quality of life of employees, communities, and society, and promotes competitive advantage based on sustainable development.

Article 3.

The Company promotes sustainable development and should pay attention to the rights and interests of stakeholders. While pursuing sustainable operations and profits, it should pay attention to environmental, social, and corporate governance factors and incorporate them into the Company's management policies and operating activities.

The Company assesses the risk of environmental, social, and governance (ESG) issues in relation to corporate operations based on materiality principles and establishes policies or strategies for risk management.

Article 4.

The Company’s practice of sustainable development should be based on the following principles:

1. Implement corporate governance.
2. Develop a sustainable environment.
3. Safeguard social welfare.
4. Strengthening information disclosure of corporate sustainable development.

Article 5.

The Company should consider the correlation between the development trend of domestic and foreign sustainability issues and the core business of the Company, the impact of the Company itself and the overall operating activities of its group enterprises on stakeholders, etc., and formulate sustainable development policies, systems or related management guidelines and the specific promotion plan. It will be submitted to the Shareholders' Meeting after approval by the Board of Directors.

When shareholders propose relevant proposals involving sustainable development, the Company's Board of Directors should consider and list them as shareholders' meeting proposals.

Chapter 2. Implement Corporate Governance

Article 6.

The Company should follow the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies, the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and the Reference Examples of Ethical Codes of Conduct for TWSE/TPEx Listed Companies to establish effective governance structure and related ethical standards to improve corporate governance.

Article 7.

The directors of the Company should fulfill their duty of care as good managers, urge the Company to implement sustainable development, and review its implementation effectiveness and continuous improvement at any time to ensure the implementation of sustainable development policies.

The Company's Board of Directors should fully consider the interests of stakeholders and include the following matters when promoting the Company's sustainable development goals:

1. Propose a sustainable development mission or vision, and formulate sustainable development policies, systems, or related management guidelines.
2. Incorporate sustainable development into the Company's operating activities and development direction, and approve specific promotion plans for sustainable development.
3. Ensure the timeliness and accuracy of information disclosure related to sustainable development.

The Company's Board of Directors should authorize senior management to handle economic, environmental, and social issues arising from operating activities, and report the handling situation to the Board of Directors. The operation process and relevant responsible personnel should be clearly defined.

Article 8.

The Company should regularly organize education and training to promote sustainable development, including publicizing matters such as Paragraph 2 of the preceding article.

Article 9.

In order to improve the management of sustainable development, the Company should establish a governance structure to promote sustainable development and set up a full-time (part-time) unit to promote sustainable development, responsible for sustainable development policies, systems, or related management guidelines and specific promotion plans proposed and implemented, and reported to the Board of Directors regularly.

The Company should formulate reasonable salary and remuneration policies to ensure that the salary plan is in line with the organization's strategic goals and the interests of stakeholders.

The employee performance appraisal system should be integrated with the sustainable development policy, and a clear and effective reward and punishment system should be established.

Article 10.

The Company should respect the rights and interests of stakeholders, identify the Company's stakeholders, and set up a stakeholder area on the Company website; understand the reasonable expectations and needs of stakeholders through appropriate communication methods, and respond appropriately to their concerns on important sustainable development issues.

Chapter 3. Develop a Sustainable Environment

Article 11.

The Company should abide by environmental laws and regulations and relevant international standards, properly protect the natural environment, and be committed to achieving the goal of environmental sustainability when executing operational activities and internal management.

Article 12.

The Company should be committed to enhancing power efficiency and using renewable materials that have with low impact on the environmental impacts, enabling sustainable use of earth resources.

Article 13.

The Company has an appropriate environmental management system established in accordance with its industrial characteristics, the system should include the following items:

1. Collect and evaluate sufficient and timely information on the impact of operating activities on the natural environment.
2. Establish measurable environmental sustainability goals and regularly review the sustainability and relevance of their development.
3. Formulate specific plans or action plans and other implementation measures, and regularly review the effectiveness of their operation.

Article 14.

The Company should establish a dedicated unit or personnel for environmental management to formulate, promote, and maintain relevant environmental management systems and specific action plans, and organize regular environmental education courses for management and employees.

Article 15.

The Company should consider the impact of operations on ecological benefits, promote and promote the concept of sustainable consumption, and engage in operational activities such as research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact of company operations on the natural environment and human beings:

1. Reduce resource and energy consumption of products and services.
2. Reduce the discharge of pollutants, toxic substances, and waste, and properly dispose of waste.
3. Improve the recyclability and reuse of raw materials or products.
4. Maximize the sustainable use of renewable resources.
5. Extend product durability.
6. Increase the effectiveness of products and services.

Article 16.

In order to improve the efficiency of water resource use, the Company should utilize water resources properly and sustainably and formulate relevant management measures.

The Company should build and strengthen relevant environmental protection and treatment facilities to avoid contaminating water, air, and land; it should also try its best to reduce the adverse effects on human health and the environment, and adopt the best feasible pollution prevention and control technology measures.

Article 17.

The Company assesses the present and future potential risks and opportunities of climate change on the Company and takes related actions.

The Company should adopt common domestic and foreign standards or guidelines to conduct corporate greenhouse gas inventory and disclose them. The scope should include:

1. Direct greenhouse gas emissions: Greenhouse gas emission sources owned or controlled by the Company.
2. Indirect greenhouse gas emissions: Arising from the use of input energy such as electricity, heat, or steam.
3. Other indirect emissions: Emissions generated by company activities are not indirect energy emissions, but come from emission sources owned or controlled by other companies.

The Company collects data on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establishes policies for energy saving and carbon reduction, greenhouse gas reduction, reduction of water consumption, or management of other wastes. Besides, incorporate the acquisition of carbon rights into the Company's carbon reduction strategic planning and promote it accordingly to reduce the impact of the Company's operating activities on climate change.

Chapter 4. Safeguard Social Welfare

Article 18.

The Company should abide by relevant laws and regulations and comply with international human rights conventions, such as gender equality, work rights, and prohibition of discrimination.

In order to fulfill its responsibility to protect human rights, the Company should formulate relevant management policies and procedures, including:

1. Propose the Company's human rights policy or statement.
2. Assess the impact of the Company's operating activities and internal management on human rights and formulate corresponding procedures.
3. Regularly review the effectiveness of corporate human rights policies or statements.
4. When human rights violations are involved, the procedures for dealing with the stakeholders involved should be disclosed.

The Company should abide by internationally recognized labor rights, such as freedom of association, the right to collective bargaining, caring for disadvantaged groups, banning child labor, and eliminating hiring and employment discrimination. It should confirm that its human resources utilization policies and differential treatment are regardless of gender, race, socioeconomic class, age, marital and family status, etc., to ensure equality and fairness in employment, hiring conditions, salary, benefits, training,

evaluation, and promotion opportunities.
For matters that endanger labor rights and interests, the Company should provide an effective and appropriate complaint mechanism to ensure equality and transparency in the complaint process. The complaint channel should be concise, convenient, and smooth, and employees' complaints should be appropriately responded to.

Article 19.
The Company should provide employees with information so that they can understand the labor laws of the country where they operate and enjoy their rights.

Article 20.
The Company should provide employees with a safe and healthy working environment, including providing necessary health and first aid facilities, and is committed to reducing hazards to employee safety and health to prevent occupational disasters.
The Company should organize training on safety and health on a regular basis for its employees.

Article 21.
The Company should create a good environment for employees’ career development and establish an effective career capacity development training program for them.
The Company should establish and implement reasonable employee welfare measures (including remuneration, leave, and other benefits) and appropriately reflect business performance and achievements in the remuneration for employees, to ensure the recruitment, retention, and encouragement of human resources to achieve the goal of sustainable operations.

Article 22.
The Company should establish channels for regular communication and dialogue among employees so that employees have the right to obtain information and express opinions on the Company's business management activities and decisions.
The Company should respect the right of employee representatives to negotiate working conditions and provide employees with the necessary information and hardware facilities to promote negotiation and cooperation between employers, employees, and employee representatives.
The Company should notify employees in a reasonable manner of operational changes that may have a significant impact.

Article 22-1.
The Company should treat customers or consumers with its products or services in a fair and reasonable manner, including contractual fairness and integrity, obligations of care and loyalty, truthfulness in advertising and solicitation, suitability of goods or services, notification and disclosure, remuneration and performance balance, complainant protection, professionalism of business personnel and other principles, and formulate relevant implementation strategies and specific measures.

Article 23.

The Company should be responsible for its products and services and pay attention to marketing ethics. Its research and development, procurement, production, operation, and service processes should ensure the transparency and security of product and service information, formulate and disclose its consumer rights policy, and implement it in operational activities to prevent products or services from harming consumer health and safety rights and interests.

Article 24.

The Company should ensure the quality of products and services in accordance with government regulations and relevant industry standards.

The Company shall comply with relevant laws and international standards regarding customer health and safety, customer privacy, marketing, and labeling of its products and services, and shall not deceive, mislead, defraud, or any other behavior that undermines consumer trust or harms consumer rights.

Article 25.

The Company should evaluate and manage various risks that may cause operational disruption to reduce its impact on consumers and society.

The Company should provide a transparent and effective consumer complaint procedure for its products and services, handle consumer complaints fairly and promptly, comply with relevant laws and regulations such as the Personal Data Protection Act, truly respect the privacy rights of consumers, and protect the personal information provided by consumers.

Article 26.

The Company should evaluate the environmental and social impact of procurement actions on the communities where supplies are sourced, and cooperate with its suppliers to jointly implement corporate social responsibilities.

The Company formulates supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation. Before doing business, it is advisable to evaluate whether its suppliers have a record of impacting the environment and society, and avoid transactions that conflict with the Company's social responsibility policy.

When the Company signs a contract with its major suppliers, the content should include compliance with the corporate social responsibility policies of both parties. If the supplier violates the policy and has a significant impact on the environment and society of the supply source community, the contract terms may be terminated or rescinded at any time.

Article 27.

The Company should evaluate the impact of the Company's operations on the community and appropriately employ manpower in the location where the Company operates to enhance community recognition.

The Company should invest resources in organizations that solve social or environmental problems through business models involving equity investments, business activities, donations, corporate volunteer services, or other public welfare professional services. It should also participate in activities related to community development and education with citizen organizations, charities, public welfare groups, and government agencies to promote community development.

Article 27-1.

The Company should continue to pour resources into cultural and artistic activities or cultural and creative industries through donations, sponsorships, investments, procurement, strategic cooperation, corporate volunteer technical services, or other support models to promote cultural development.

Chapter 5. Strengthening Information Disclosure of Corporate Sustainable Development

Article 28.

The Company should disclose information in accordance with relevant laws and regulations and Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies, and should fully disclose relevant and reliable sustainable development-related information to enhance information transparency.

The Company discloses relevant information on sustainable development as follows:

1. Sustainable development policies, systems or related management guidelines, and specific promotion plans approved by the Board of Directors.
2. The risks and impacts of factors such as implementing corporate governance, developing a sustainable environment, and safeguarding social welfare on the Company's operations and financial status.
3. The promotion goals, measures, and implementation performance formulated by the Company for sustainable development.
4. Major stakeholders and issues of concern.
5. Disclosure of management and performance information on major environmental and social issues by major suppliers.
6. Other sustainable development-related information.

Article 29.

The Company should adopt internationally recognized standards or guidelines in preparing its sustainability report to disclose the situation of promoting sustainable development, and should obtain third-party confirmation or guarantee to improve the reliability of the information.

Its content should include:

1. Implement sustainable development policies, systems, or related management guidelines and specific promotion plans.
2. Major stakeholders and issues of concern.
3. The Company implements and reviews the execution performance of corporate governance, developing a sustainable environment, safeguarding social welfare, and promoting economic development.
4. Future improvement directions and goals.

Chapter 6. Supplementary Provisions

Article 30.

The Company should always pay attention to the development of domestic and foreign sustainable development-related standards and changes in the corporate environment, and review and improve the sustainable development system established by the Company accordingly to enhance the effectiveness of promoting sustainable development.

Article 31.

The Company’s "Sustainable Development Best Practice Principles for the Company", and any amendments hereto, shall be approved by the Board of Directors and submitted and reported to the Shareholders' Meeting.

A new amendment date:

These Principles shall be implemented upon approval by the Board of Directors on August 8, 2023.

These Principles were implemented after being approved by the Board of Directors on February 21, 2024, and reported to the Shareholders' Meeting on June 13, 2024.

(Appendix 2)

DONPON PRECISION INC.

Regulations Governing the Acquisition and Disposal of Assets (Before Amendment)

Article 1. These Regulations are hereby formulated to protect assets and duly disclose information.

Article 2. These Regulations are formulated in accordance with Article 36-1 of the Securities and Exchange Act and the relevant provisions of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies promulgated by the Financial Supervisory Commission's (hereinafter referred to as the FSC); however, where other laws or regulations provide otherwise, such provisions shall prevail.

Article 3. The scope of assets referred to in these Regulations is as follows:

1. Securities: Including investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.
2. Real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment.
3. Memberships.
4. Intangible assets: Including patents, copyrights, trademarks, and franchise rights, etc.
5. Right-of-use assets.
6. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
7. Derivatives.
8. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.
9. Other important assets.

Article 4. The evaluation procedures for the Company's acquisition or disposal of assets are as follows:

1. The acquisition or disposal of securities not traded on an exchange or OTC market shall be determined by considering their net value per share, profitability, future growth potential, market interest rates, bond coupon rates, the creditworthiness of the debtor, and the prevailing market price.
2. The acquisition or disposal of securities already traded on an exchange or OTC market shall be determined based on the prevailing price of the equity or bonds at the time of acquisition or disposal.
3. The acquisition or disposal of other assets referred to in the preceding two paragraphs shall be conducted through one of the following methods: inquiry, comparison, negotiation, or public tender, and shall be
4. determined by reference to the published current value, appraised current value, actual transaction prices of neighboring property, etc. If the transaction meets the criteria for announcement and declaration under these Regulations, reference shall also be made to the appraisal report of a professional appraiser.

Article 5. The Company's procedures for acquiring or disposing of assets shall be handled in accordance with the following circumstances:

1. When acquiring or disposing of assets, the responsible department shall assess matters such as the rationale for the proposed acquisition or disposal, the subject matter, the counterparty, the transfer price, the terms of payment and collection, and the basis for the price, and then submit the matters to the competent department for decision. The management department shall execute the decision, and all relevant matters shall be handled in accordance with the relevant operational regulations of the Company's internal control system and these Regulations.
2. The Finance Department is the executing unit for the acquisition or disposal of securities, while the using departments and relevant responsible units are the executing units for property and other fixed assets. For assets other than securities investments, property, and other fixed assets, such transactions may only be conducted after evaluation by the relevant executing units.
3. All operations related to the acquisition or disposal of assets shall be handled in accordance with the relevant provisions of the Company's internal control system. If any material violations are discovered, the relevant personnel shall be disciplined in accordance with the nature of the violation.

Article 6. The Company may purchase property or securities not for business use, provided that the total investment amount does not exceed 10% of total assets, the investment in securities does not exceed 10% of total assets, and the investment in any individual security does not exceed 10% of total assets.

Article 7. The purchase and sale of the Company's securities investments shall be submitted to the President and the Chairman for approval.

Article 8. Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the website designated by the Securities and Futures Bureau in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:

1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NTD300 million or more; However, this shall not apply to the trading of domestic government bonds, bonds under repurchase or resale agreements, or the subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
2. Merger, demerger, acquisition, or transfer of shares.
3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company.
4. Where the type of asset acquired or disposed of is equipment or right-of-use assets thereof for business use, and the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:
   (1) For public companies whose paid-in capital is less than NTD10 billion, the transaction amount reaches NTD500 million or more.

(2) For public companies whose paid-in capital is NTD10 billion or more, the transaction amount reaches NTD1 billion or more.

5. Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NTD500 million.

6. Where an asset transaction other than any of those referred to in the preceding four subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20% or more of paid-in capital or NTD300 million. This shall not apply to the following circumstances:

   (1) Trading of domestic government bonds or foreign government bonds with a credit rating not lower than our country’s sovereign rating.

   (2) Where done by professional investors - securities trading on securities exchanges or OTC markets at home or abroad, or subscription of foreign government bonds or ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the domestic primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or reverse repurchase of exchange traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.

   (3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

   (4) The transaction amount above shall be calculated in a method below:

      A. The amount of any individual transaction.

      B. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.

      C. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.

      D. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.

      ※ The term “within the preceding year” refers to the year preceding the date of the current transaction. The portions that have been announced as per these Regulations need not be counted toward the transaction amount.

      ※ The Company shall prepare monthly reports on the status of financial derivatives traded up to the end of the preceding month by the Company and any subsidiaries that are not domestic publicly listed companies and enter the information in the prescribed format onto the information reporting website designated by the competent authority by the 10th day of each month.

※ When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again announced and declared in their entirety.

※ The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, logbooks, appraisal reports and CPA, attorney, and securities underwriter opinions at the company, where they shall be retained for 5 years except where another act provides otherwise.

Article 9. The deadline for making announcements and declarations. After the Company announces and declares a transaction in accordance with the preceding paragraph, it, under any of the circumstances below, shall announce and declare the relevant information on the website designated by the competent authority within two days counting inclusively from the date of the occurrence of the event:

1. Change, termination, or rescission of a contract signed in regard to the original transaction.
2. The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.
3. Change to the originally publicly announced and reported information.

Article 10. When the Company acquires or disposes of property, equipment, or right-of-use assets, except for transactions with domestic government agencies, construction commissioned on owned land, construction commissioned on leased land, or the acquisition or disposal of machinery and equipment for business operations or its right-of-use assets, if the transaction amount reaches 20% of the Company's paid-in capital or NTD300 million or more, a valuation report issued by a professional appraiser shall be obtained prior to the occurrence of the transaction and shall comply with the following provisions:

1. Where due to special circumstances it is necessary to give a limited price, specific price, or special price as a reference for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors; the same procedure shall also apply to any subsequent change to the terms and conditions of the transaction.
2. Where the transaction amount is NTD1 billion or more, appraisals from two or more professional appraisers shall be obtained.
3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
   (1) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount.
   (2) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.

4. The date of the report issued by the professional appraiser shall not be more than three months from the date when the contract is executed. However, if the announced current value for the same period is applied and the period does not exceed six months, the original professional appraiser may issue a written opinion.

Article 11. The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, audited or reviewed by a CPA, for reference in appraising the transaction price, and if the amount of the transaction is 20% of the Company's paid-in capital or NTD300 million or more, the Company shall additionally engage a CPA prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission.

Article 12. Where the Company acquires or disposes of memberships or intangible assets or right-of-use assets thereof and the transaction amount reach 20 percent or more of paid-in capital or NTD300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.

Article 12-1. The transaction amount in the preceding Articles 10-11 shall be calculated as per the provisions under Article 30, Paragraph 2 and the term “within the preceding year” refers to the year preceding the date of the current transaction. The portions on which appraisal reports issued by professional appraisers or about which CPAs have issued opinions as per the Regulations need not be counted toward the transaction amount.

Article 13. Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.

Article 14. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall not be related parties of the transaction parties.

Article 15. When the Company engages in any acquisition or disposal of property from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised as required, if the transaction amount reaches 10% or more of the Company's total assets, the Company shall obtain an appraisal report from a professional appraiser or a CPA's opinion as per Article 10.

※ The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 12-1 herein.

※ When whether a transaction counterparty is a related party is judged, in addition to legal formalities, the substance of the relationship shall also be considered.

Article 16. When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party, and the transaction amount reaches 20% or more of the Company’s paid-in capital, 10% or more of the Company’s total assets, or NT$300 million or more, except in trading of domestic government bonds or bonds, bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, it may not proceed to enter into a transaction contract or make a payment until the following information has been reviewed by the Audit Committee and passed by the Board of Directors:

1. The purpose, necessity, and expected return on the acquisition or disposal of property.
2. The reason for choosing related parties as the counterparties of trade.
3. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding evaluation of the reasonableness of the preliminary transaction terms as required.
4. The date and price of the related party in the initial acquisition of the asset, the counterparty of trade, and the relation with the Company and the related-party.
5. The projection of monthly cash receipt from the month in which the agreement was entered to the year ahead, and assess if the transaction is necessary and the use of fund is justifiable.
6. An appraisal report from a professional appraiser or a CPA's opinion obtained as per the preceding article.
7. The restriction of the condition in this transaction and other important terms and conditions.
8. The transaction amount referred to in the preceding paragraph shall be calculated as per the provisions under Article 8 if these Regulations, and the term “within the preceding year” refers to the year preceding the date of the current transaction. The portions that have been passed by the Audit Committee, shareholders’ meeting and the board of directors as per these Regulations need not be counted toward the transaction amount.
9. Where the Company or its subsidiary acquires or disposes of an asset, and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit the information listed in paragraph 1 to the shareholders' meeting for approval before proceeding to enter into a transaction contract or make a payment. However, the transactions between the Company and its subsidiaries, or between its subsidiaries are not subject to this provision.
10. Where the Company, a subsidiary, or a subsidiary in which it directly or indirectly holds 100% of the issued shares or total capital acquires or disposes of equipment for business use, right-of-use assets thereof, or real property right-of-use assets among themselves, the Board of Directors may, in accordance with the operating procedures prescribed in these Regulations, authorize the Chairman to proceed with the transaction within a certain limit, subject to subsequent ratification at the next Board meeting; When submitting matters for discussion by the Board of Directors, the opinions of each independent director shall be fully considered, and their reservations or objections, along with the reasons therefor, shall be included in the minutes of the meeting.

Article 17. Where the Company acquires real property or right-of-use assets thereof from a related party under any of the following circumstances, the reasonableness of the transaction cost shall be evaluated in accordance with relevant regulations.

1. The Company that acquires real property from a related party shall evaluate the reasonableness of the transaction costs by the following means:
   (1) Based upon the related party's transaction price plus necessary fund and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.
   (2) Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the transaction counterparties.
2. Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.
3. Where the Company acquires real property or right-of-use assets thereof from a related party, it shall comply with the provisions of subparagraphs (1) and (2) of the preceding paragraph.
4. Except in the following circumstances, a CPA shall be engaged to review the transaction and provide specific opinions:
   (1) The related party acquired the real property through inheritance or as a gift.
   (2) More than 5 years will have elapsed from the time the related party signed the contract to obtain the real property to the signing date for the current transaction.
   (3) The real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real property, either on the company's own land or on rented land.
   (4) The real property right-of-use assets for business use are acquired by the Company, subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100% of their outstanding shares or total capital.

Article 18. Where the Company acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with the relevant provisions are all lower than the transaction price, the following steps shall be taken:

1. A special reserve shall be set aside in accordance with the relevant provisions against the difference between the real property transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where the Company uses the equity method to account for its investment in public companies, then the special reserve shall be set aside pro rata in a proportion consistent with the share of the Company's equity stake in the other company.

2. Actions taken pursuant to the subparagraphs 1 and 2 shall be reported to the shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.
3. The Company, which has set aside a special reserve in accordance with the aforementioned provisions, may not utilize the special reserve until they have recognized a loss on decline in market value of the assets it acquired or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the competent authority has given its consent.
4. When the Company acquires real property or right-of-use assets thereof from a related party, it shall also comply with the preceding two paragraphs if there is other evidence indicating that the acquisition was not an arm's length transaction.

Article 19. The Company's procedures for acquiring or disposing of financial derivatives are as follows:

1. Definition:
   The financial derivatives engaged in by the Company refer to transaction contracts whose value is derived from assets, interest rates, exchange rates, indexes, or other benefits (such as forward contracts, options, futures, interest rate or exchange rate, swaps, and composite contracts formed by combinations of the aforementioned instruments).
2. Trading Principles and Hedging Strategies:
   (1) The Company's operations involving financial derivatives are primarily aimed at eliminating risks arising from business activities, such as exchange rate and interest rate risks. However, in the event of changes in the objective environment, the Company may supplement these operations with trading activities to counteract hedging; nevertheless, all such activities must adhere to the principles of prudence and risk mitigation.
   (2) The commodities traded shall be mainly selected to hedge risks arising from the Company's business operations. The currencies of derivatives held shall be the same as those used in the Company's import and export transactions. The Company's overall internal positions (foreign-currency income and expenses) shall be offset naturally in principle, so as to reduce the Company's overall foreign exchange risk and foreign exchange costs.
   (3) Transactions for other specific purposes shall be carefully assessed and shall be conducted after being approved by the Audit Committee and the Board of Directors.
3. Division of powers and responsibilities
   (1) Chairman: Designates the personnel responsible for executing transactions and confirms such transactions.
   (2) Finance Department – Finance personnel
      A. Responsible for formulating strategies for the Company's financial derivatives trading.
      B. Calculate positions, collect market information, judge trends, and assess risks every two weeks, formulate trading strategies, and adopt them as the basis for trading after being approved as per the approval hierarchy.
      C. Trading personnel shall trade according to the authority granted and the

established strategy.

D. The chief financial officer shall review whether a transaction is conducted according to the authority granted and the established strategy.

E. Conduct valuation on a monthly basis and submit a valuation report is to the Chairman.

F. When there are major changes in the financial market and the responsible trading personnel judge that the established strategy is no longer applicable, they shall submit an evaluation report and formulate a new strategy. After being approved by the Chairman, it shall be used as the basis for trading.

G. Make declaration and announcement in accordance with the regulations of the Securities and Futures Bureau.

H. The Company engaging in derivatives trading shall establish a logbook (Exhibit 1) in which details of the types and amounts of derivatives trading engaged in, board of directors' approval dates, and the matters required to be carefully evaluated under paragraph 10, subparagraph 2 and paragraph 5, subparagraphs 1 and 2 of this Article shall be recorded in detail in the logbook.

(3) Finance Department – Accounting personnel: Conduct accounting treatment.

4. Authorized amount of financial derivatives

When trading financial derivatives, regardless of the amount or the total contract value, each transaction must be approved by the Chairman before it can be executed.

5. Performance evaluation

(1) The performance evaluation is based on the exchange rate costs and the gains or losses arising from derivatives traded on the Company's books.

(2) To keep abreast of and present the valuation risk of each transaction, the Company adopts the monthly valuation method to evaluate gain or loss.

(3) The finance department shall provide foreign exchange position valuation and foreign exchange market trends and analysis reports to the President and Chairman as a reference for management and instructions.

6. Setting of the total contract amount and the upper limit of loss for trading of financial derivatives

(1) Total contract amount

The finance department shall keep abreast of the Company's overall position of transactional contract in order to avoid trading risks. The total of hedge transactions shall not exceed US$30 million.

(2) Setting of upper limit of losses

The upper limit of total losses for all and individual foreign exchange hedging contracts is US$1 million.

7. Risk management measures

(1) Credit risk management:

As the market is subject to changes in various factors, it is easy to cause risks from trading derivatives. Therefore, the market risk management shall be carried out in accordance with the principles below:

A. Transaction counterparties: Mainly well-known financial institutions at home and abroad.

B. Products: Limited to those provided by well-known financial institutions at home and abroad.

C. Transaction amount: The transaction amount with the same transaction counterparty, which is not written off, shall not exceed 50% of the total authorized amount.

(2) Market risk management:

The Company mainly trades in the open foreign exchange trading market provided by banks; the futures market is not considered temporarily.

(3) Liquidity risk management:

To ensure market liquidity, the Company mainly chooses highly liquid financial products (that is, they can be settled in the market at any time), and the financial institutions entrusted with transactions shall have the sufficient access to information and the adequate ability to carry out transactions in any market at any time.

(4) Cash flow risk management:

To ensure the stability of the Company's working capital, the source of its funds for financial derivatives trading is limited to its own funds, and the amount traded shall be based on the funding needs as per the cash receipt and disbursement forecasted in the next three months.

(5) Operational risk management:

A. The Company's authorized amounts, operating procedures, and internal audit shall be strictly followed to avoid operational risks.

B. Personnel engaged in financial derivatives trading may not serve concurrently in other operations, including settlement.

C. Trading personnel must strictly adhere to authorized limits, trading procedures, and the registration and control of relevant transaction records.

D. Risk measurement, monitoring, and control personnel shall be assigned to a different department from that of the personnel in the preceding subparagraph and shall report to the Board of Directors or senior management personnel with no responsibility for trading or position decision-making.

E. Derivatives trading positions held shall be evaluated at least once per week; however, positions for hedge trades required by business shall be evaluated at least twice per month. Evaluation reports shall be submitted to senior management personnel authorized by the board of directors.

F. The responsible trading personnel shall have complete and correct professional knowledge of financial products and require banks to fully disclose risks to avoid the risks arising from the use of financial products improperly.

(6) Legal risk management:

Documents signed with financial institutions shall be reviewed by professionals in the foreign exchange, or legal counseling field before they can be formally signed to avoid legal risks.

8. Periodic assessment
   (1) The Board of Directors shall authorize senior personnel to regularly supervise and assess whether derivatives trading is handled in accordance with the Company’s trading procedures and whether the risks borne are within the scope of tolerance, and when there is an anomaly in the market price assessment report (such as a position held has exceeded the upper limit of loss), they shall immediately report to the Board of Directors and take countermeasures.
   (2) Derivatives trading positions held shall be evaluated at least once per week; however, positions for hedge trades required by business shall be evaluated at least twice per month. Evaluation reports shall be submitted to senior management personnel authorized by the board of directors.
9. Internal audit system
   Internal auditors shall regularly understand the adequacy of the internal control over derivatives trading, audit the trading department’s compliance with the procedures for derivatives trading on a monthly basis, and prepare an audit report. If any major violations are discovered, they shall notify the independent directors in writing.
10. Supervision and Management
   (1) When the Company engages in financial derivatives trading, the Board of Directors shall supervise it in accordance with the following principles:
      A. The Board of Directors shall designate senior management personnel to pay attention to the supervision and control of derivatives trading risks at all times.
      B. Periodically evaluate whether the Company's financial derivatives trading performance is consistent with established strategy and whether the risk undertaken is within the scope.
   (2) Senior executives authorized by the Board shall manage the following matters in accordance with the Company’s established procedures for financial derivatives trading:
      A. Periodically evaluate the risk management measures currently employed are appropriate and are faithfully conducted in accordance with these Regulations and the procedures for engaging in derivatives trading formulated by the Company.
      B. When irregular circumstances are found in the course of supervising trading and profit-loss circumstances, appropriate measures shall be adopted and a report immediately made to the Audit Committee and the Board of Director; where a company has independent directors, an independent director shall be present at the meeting and express an opinion.
      C. Periodically evaluate whether derivatives trading performance is consistent with established operational strategy and whether the risk undertaken is within the Company’s permitted scope of tolerance.
      D. The Company shall report to the soonest meeting of the Audit Committee and the Board of Director after it authorizes the relevant personnel to handle derivates trading in accordance with its Procedures for Engaging in Derivatives Trading.

Article 20. Unless otherwise provided by other laws and regulations or unless special circumstances exist for which prior approval has been obtained from the competent authority, the Company shall convene both a board of directors meeting and a shareholders' meeting on the same day to resolve matters related to mergers, demergers, or acquisitions; a company participating in a share transfer shall convene a board of directors meeting on the same day, unless otherwise provided by other laws and regulations or unless special circumstances exist for which prior approval has been obtained from the Securities and Futures Institute.

Article 21. The Company participating in a merger, demerger, acquisition, or transfer of shares may not arbitrarily alter the share exchange ratio or acquisition price, unless under the circumstances below, and shall stipulate the circumstances where change is permitted in the contract for the merger, demerger, acquisition, or transfer of shares:

1. Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity-based securities.
2. An action, such as a disposal of major assets, that affects the Company's financial operations.
3. An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.
4. An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares from another company, buys back treasury stock.
5. An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.
6. Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed. Contracts regarding mergers, demergers, acquisitions, or transfer of shares by the Company shall specify relevant matters in accordance with regulations to protect the rights and interests of the participating companies.
7. When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following information and retain it for 5 years for reference:
   (1) Basic identification data for personnel:
   Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of shares prior to disclosure of the material information.
   (2) Dates of material events:
   Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a board of directors meeting.
   (3) Important documents and minutes:
   Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of board of directors' meetings.

8. When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall, within 2 days counting inclusively from the date of passage of a resolution by the board of directors, report (in the prescribed format and via the Internet-based information system) the information set out in subparagraphs 1 and 2 of the preceding paragraph to the FSC for recordation.
9. Where any of the companies participating in a merger, demerger, acquisition, or transfer of shares is neither listed on an exchange nor has its shares traded on an OTC market, the company that is listed on an exchange or has its shares traded on an OTC market shall sign an agreement with such a company whereby the latter shall comply with the preceding paragraph.

Article 22. Provisions regarding the acquisition or disposal of subsidiary assets

1. Provisions regarding the acquisition or disposal of subsidiary assets shall be handled in accordance with the parent company's regulations; where declaration standards apply, the parent company shall handle the announcement and declaration matters.
2. Where a subsidiary is not a domestic publicly listed company and the assets it acquires or disposes of meet the announcement and declaration standards specified in Article 8, the parent company shall handle the announcement and declaration matters.
3. The "reaching 20 percent of the company's paid-in capital" in the announcement and declaration standards for subsidiaries shall be based on the parent company's paid-in capital.

※ The term "subsidiary" refers to an investee company in which the Company directly holds more than 50% of the issued voting shares, or an investee company in which the Company indirectly holds more than 50% of the issued voting shares through a subsidiary, and so on; or an investee company in which the Company directly and indirectly holds more than 50% of the issued voting shares through a subsidiary, and so on.

Article 23. Where the Company acquires or disposes of assets that meet the announcement and declaration standards specified in Article 8 of these Regulations, and the counterparty is a de facto related party, the details of the announcement shall be disclosed in the notes to the financial statements and reported to the shareholders' meeting.

Article 24. These Regulations, and any amendments hereto, shall be submitted to the shareholders' meeting for approval after review by the Audit Committee and approval by the Board of Directors. If any director (including independent director) expresses objection and such objection is recorded or stated in writing, the Company shall include the reservations or objections and the reasons therefor in the minutes of the meeting.

A new amendment date:

These Regulations were adopted by a resolution of the Board of Directors on April 6, 2004, and implemented upon approval by the shareholders' meeting on June 29, 2005.

The 1st amendment was adopted by a resolution of the Board of Directors on March 4, 2009, and was implemented after the approval of the shareholders' meeting on May 21, 2009.

The 2nd amendment was adopted by a resolution of the Board of Directors on November 5, 2009, and was implemented after the approval of the shareholders' meeting on May 11, 2010.

The 3rd amendment was adopted by a resolution of the Board of Directors on October 22, 2010, and was implemented after the approval of the shareholders' meeting on May 12, 2011.

The 4th amendment was adopted by a resolution of the Board of Directors on March 14, 2012, and was implemented after the approval of the shareholders' meeting on June 26, 2012.

The 5th amendment was adopted by a resolution of the Board of Directors on March 12, 2014, and was implemented after the approval of the shareholders' meeting on May 30, 2014.

The 6th amendment was adopted by a resolution of the Board of Directors on October 31, 2017, and was implemented after the approval of the shareholders' meeting on May 9, 2018.

The 7th amendment was adopted by a resolution of the Board of Directors on February 12, 2019, and was implemented after the approval of the shareholders' meeting on May 3, 2019.

The 8th amendment was adopted by a resolution of the Board of Directors on March 19, 2021, and was implemented after the approval of the shareholders' meeting on July 15, 2021.

The 9th amendment was adopted by a resolution of the Board of Directors on March 18, 2022, and was implemented after the approval of the shareholders' meeting on June 14, 2022.

(Appendix 3)

DONPON PRECISION INC.

Guideline for Lending Funds to Others and Endorsements and Guarantees (Before Amendment)

Article 1. This Guideline is hereby formulated to provide a framework for the procedures governing the lending funds to others and endorsements and guarantees by the Company and its subsidiaries.

Article 2.

1. This Guideline is formulated in accordance with Article 36-1 of the Securities and Exchange Act and the relevant regulations of the Financial Supervisory Commission.
2. The terms “parent company” and “subsidiary” as used in this Guideline shall be defined in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
3. Where financial reports are prepared in accordance with International Financial Reporting Standards (IFRS), the term “net worth” refers to the equity attributable to owners of the parent as stated in the balance sheet under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
4. Net worth shall be based on the figures stated in the most recent financial statements audited or reviewed by CPAs.

Article 3. Targets for lending funds

1. Where there is a need for short-term financing from the Company to its subsidiaries, from subsidiaries to the Company, or between the Company’s subsidiaries, such lending operations shall be conducted in accordance with this Guideline.
2. Reason and necessity for lending funds to others

   The Company and its subsidiaries may lend funds to other only when there is a necessity for short-term intercompany financing within the Group. The amount of such financing shall not exceed 40% of the lending company’s net worth.

For the purpose of this Article, the term “short-term” refers to one year; however, if a company’s operating cycle exceeds one year, the operating cycle shall apply.

For the purpose of this Article, the term “amount of financing” refers to the cumulative balance of the Company’s short-term financing funds.

Lending of funds between foreign subsidiaries in which the Company directly or indirectly holds 100% of the voting shares, or from such foreign subsidiaries to the Company, shall not be subject to the restrictions set forth in Paragraph 2 of this Article. However, the total amount of funds lent and the limit for each individual target shall still be established, and the term of the lending shall be clearly specified.

Article 4. Total amount of funds lent to others and limit for individual target

1. Total amount of funds lent:
   (1) The total amount of funds lent by the Company or its subsidiaries to others shall not exceed 40% of the net worth of the lending company.
   (2) However, lending of funds between foreign subsidiaries in which the Company directly or indirectly holds 100% of the voting shares, and from such foreign

subsidiaries to the Company, shall not be subject to the restrictions in the preceding subparagraph; the total amount of such funds shall not exceed 200% of the lending company's net worth.

2. Limit for lending funds to individual targets:
   (1) The limit for lending funds to a single subsidiary by the Company shall not exceed 40% of the Company's net worth.
   (2) The limit for lending funds to a single company by a subsidiary in which the Company directly or indirectly holds 100% of the voting shares shall not exceed 40% of the lending company's net worth.
   (3) However, lending of funds between foreign subsidiaries in which the Company directly or indirectly holds 100% of the voting shares, and from such foreign subsidiaries to the Company, shall not be subject to the restrictions in the preceding subparagraph; the limit for lending funds to a single company shall not exceed 100% of the lending company's net worth, and the lending term shall not exceed three years.

Article 5. Procedures for Lending Funds

1. When the Company or its subsidiaries lend funds to others, the Finance Department shall conduct a prudent assessment of the target, complete the "Application for Lending Funds to Others" (Exhibit 1), attach relevant credit investigation documents and risk assessment records, and submit to the Board of Directors for resolution before execution.
2. Matters to be prudently assessed:
   (1) Whether the target and amount of fund lending comply with the provisions of this Guideline
   (2) The necessity and reasonableness of lending funds to others.
   (3) Credit investigation and risk assessment of the target.
   (4) The impact on the Company's operational risks, financial condition, and shareholders' equity.
   (5) Whether collateral should be obtained and the appraised value of such collateral.
3. The Finance Department shall maintain a "Record of Lending Funds to Others" (Exhibit 2), specifying the target, amount, date of Board approval, date of issuance, and the matters requiring prudent assessment as prescribed.
4. If a statement requires collateral to be provided when lending funds, the target shall provide collateral and complete the procedures for establishing a pledge or mortgage to mitigate the risk of non-recovery of the funds and to secure the Company's claims.
5. The term of financing between the Company and its subsidiaries shall be reported to the Board of Directors for resolution based on the specific target and financing limit. The Chairman may be authorized to disburse funds in installments or allow revolving credit to the same target within a certain limit and term determined by the Board of Directors.
6. The Chairman and the President shall be authorized to handle the matters concerning the lending of funds to others, after approval by the Board of Directors.
7. Interest rates for financing shall, in principle, be no lower than the average lending rate in the financial industry. If the target fails to fulfill the contract, the Company may, in accordance with the law, directly dispose of or seek compensation from the collateral or guarantor provided by the target.

8. After the fund is disbursed, the Company shall regularly monitor the financial, operational, and credit conditions of the target and guarantor. If collateral has been provided, the Company shall also monitor any changes in the value of such collateral.
9. The Company shall assess the fund status and set aside adequate provisions for bad debts, appropriately disclose relevant information in financial statements, and provide relevant data to enable the CPAs to perform necessary audit procedures and issue an appropriate audit report.

Article 6. Contents of endorsements and guarantees

1. Financing endorsements and guarantees
   (1) Guarantees for note discounting.
   (2) Endorsements or guarantees provided for the financing purposes of other companies.
   (3) Issuance of separate instruments to non-financial entities as collateral for the Company's financing purposes.
2. Tariff guarantees: Endorsements or guarantees provided in connection with tariff matters for the Company or other companies.
3. Other endorsements and guarantees: Endorsements or guarantees that cannot be classified under the preceding two categories.
4. Establishing a lien or mortgage on movable or immovable property as collateral for another company's loan.

Article 7. Parties receiving endorsements and guarantees

1. Companies with which the Company has business dealings.
2. Companies in which the Company directly or indirectly holds 50% or more of the voting shares.
3. Companies that directly or indirectly hold 50% or more of the Company's voting shares.
4. Between companies in which the Company directly or indirectly holds 90% or more of the voting shares.
5. The provisions of the preceding subparagraph shall not apply to mutual guarantees between industry peers or joint developers based on the needs of contracted projects, as stipulated in the contract; to guarantees provided by all contributing shareholders of an investee company in proportion to their shareholding ratios due to a joint investment relationship; or to joint and several guarantees for performance under pre-sale property sales contracts between industry peers in accordance with the Consumer Protection Act.

The term "contribution" in the preceding subparagraph refers to direct capital contributions or contributions made through holding 100% of the voting shares.

Article 8. Total amount and individual limits of endorsements and guarantees

1. Total amount of endorsements and guarantees:
   (1) The total amount of endorsements and guarantees provided by the Company or its subsidiaries shall not exceed 100% of the guaranteeing company's net worth for the current period.
   (2) The aggregate amount of endorsements and guarantees provided by the Company and its subsidiaries shall not exceed 100% of the current net worth.
2. Individual limits for endorsements and guarantees:

(1) Endorsement and guarantee limit for a single enterprise

A. Endorsement and guarantee limit for a single enterprise by the Company

(A) For subsidiaries in which the Company directly or indirectly holds more than 50% of the voting shares, the Company's endorsement and guarantee limit for such subsidiaries shall not exceed 70% of the Company's current net worth.

(B) For companies in which the Company directly or indirectly holds less than 50% of the voting shares, or for companies with which the Company has business dealings, the Company's endorsement and guarantee limit shall not exceed 10% of the Company's current net worth.

(C) The amount of each endorsement/guarantee provided by the Company to a company with which it has business dealings shall not exceed the amount of business transactions between the two parties during the most recent year; the term "amount of business transactions" refers to the higher of the purchase or sales amounts between the two parties.

B. Endorsement and guarantee limit for a single enterprise by subsidiaries

(A) For companies in which the Company directly or indirectly holds 100% of the voting shares, the subsidiary's endorsement and guarantee limit for such companies shall not exceed 70% of the subsidiary's current net worth.

(B) For investee companies in which a subsidiary holds 50% or more of the shares, the subsidiary's endorsement and guarantee limit for such companies shall not exceed 70% of the subsidiary's current net worth.

(C) The entities eligible for endorsements and guarantees by a subsidiary shall be limited to subsidiaries in which the Company directly or indirectly holds 50% or more of the voting shares.

(2) Aggregate endorsement and guarantee limit for a single enterprise by the Company and its subsidiaries

A. For subsidiaries in which the Company directly or indirectly holds more than 50% of the voting shares, the aggregate endorsement and guarantee limit for such subsidiaries by the Company and its subsidiaries shall not exceed 70% of their current net worth.

B. For subsidiaries in which the Company directly or indirectly holds less than 50% of the voting shares, the aggregate endorsement and guarantee limit for such subsidiaries by the Company and its subsidiaries shall not exceed 10% of their current net worth.

(3) Where the aggregate amount of endorsements and guarantees provided by the Company and its subsidiaries reaches 50% or more of the current net worth, the necessity and reasonableness thereof shall be explained at the shareholders' meeting.

With respect to the endorsements and guarantees between subsidiaries in which the Company directly or indirectly holds 100% of the voting shares, and between such subsidiaries and the Company, the limits shall not be subject to the restrictions set forth in Paragraph 2 of this Article; provided that the total amount of such endorsements and guarantees shall not exceed 200% of the guaranteeing company's net worth, and the limit for a single enterprise shall not exceed 100% of its current net worth.

Article 9. Operating procedures for endorsements and guarantees

1. When handling endorsement and guarantee matters, the Finance Department shall conduct a prudent assessment, submit an "Application for Endorsement and Guarantee" (Exhibit 3), conduct a credit investigation of the guaranteed company, assess its risks, attach the assessment records, and submit the matter to the Board of Directors for resolution before proceeding.
2. Matters to be prudently assessed:
   (1) Whether the targets and amounts of the endorsements and guarantees comply with the provisions of this Guideline.
   (2) The necessity and reasonableness of the endorsement and guarantee.
   (3) Credit investigation and risk assessment of the targets of the endorsement and guarantee.
   (4) The impact on the Company's operational risks, financial condition, and shareholders' equity.
   (5) Whether collateral should be obtained and the appraised value of such collateral.
3. Endorsement guarantees shall be handled by the Finance Department, which shall maintain an "Endorsement and Guarantee Logbook" (Exhibit 4). The handling personnel of the Finance Department must record in detail the target of the endorsement/guarantee, the amount of the endorsement/guarantee, the date of Board's approval or the Chairman's decision, the date of the endorsement/guarantee, and the conditions for releasing the endorsement/guarantee liability for reference. The logbook shall be kept by designated personnel.
4. If endorsement/guarantee documents or instruments need to be released due to debt repayment or renewal, the company receiving the endorsement/guarantee shall prepare a formal letter to deliver the original endorsement/guarantee documents to the Company's Finance Department for cancellation by affixing a cancellation stamp, which will then be returned; the application letter shall be retained for reference.
5. The Company's handling of endorsement and guarantee matters shall be subject to the approval of the Board of Directors. The Board of Directors may authorize the Chairman to act in advance within the limits specified in Article 8 in accordance with the relevant provisions of these Procedures, subject to subsequent ratification by the Board of Directors, and to report the details of such actions to the Shareholders' Meeting for reference.
6. The Company shall use the corporate seal registered with the Ministry of Economic Affairs as the dedicated seal for endorsement and guarantee. The seal and the guaranteed instruments shall be kept by designated personnel, respectively, and the seal shall be affixed and instruments issued in accordance with prescribed procedures. Any appointment, dismissal, or transfer of the seal custodian shall be subject to the approval of the Board of Directors.
7. If the Company provides a guarantee to a foreign company, the guarantee letter issued by the Company shall be signed by a person authorized by the Board of

Directors.

8. Except that subsidiaries of the Company may not provide endorsements or guarantees for non-related parties, the operating procedures shall be handled in accordance with this Guideline.
9. The Company shall assess or recognize contingent losses arising from endorsements and guarantees and appropriately disclose information regarding such endorsements and guarantees in its financial statements, and shall provide relevant information to the CPAs to enable them to perform necessary audit procedures.

Article 10. Announcement and Declaration Procedures

1. The Company shall, prior to the 10th day of each month following a public offering, publicly announce and declare the balances of funds lent to others and the balances of endorsements and guarantees provided by the Company and its subsidiaries for the preceding month.
2. If the Company meets any of the following criteria, it shall make an announcement and declaration within two days from the date of occurrence of the event (i.e., the earlier of the transaction signing date, payment date, board resolution date, or any other date sufficient to determine the counterparty and transaction amount).
   (1) Lending of Funds
      A. The balance of funds lent by the Company and its subsidiaries to others reaches 20% or more of the net worth as shown in the Company’s most recent financial statements.
      B. The balance of funds lent by the Company and its subsidiaries to a single enterprise reaches 10% or more of the net worth as shown in the Company’s most recent financial statements.
      C. The amount of new funds lent by the Company or its subsidiaries reaches NTD10 million or more and 2% or more of the net worth as shown in the Company’s most recent financial statements.
   (2) Endorsements and Guarantees
      A. The balance of endorsements and guarantees provided by the Company and its subsidiaries reaches 50% or more of the net worth as shown in the Company’s most recent financial statements.
      B. The balance of endorsements and guarantees provided by the Company and its subsidiaries to a single enterprise reaches 20% or more of the net worth as shown in the Company’s most recent financial statements.
      C. The balance of endorsements and guarantees provided by the Company and its subsidiaries to a single enterprise reaches NTD10 million or more, and the aggregate balance of such endorsements and guarantees, long-term investments, and funds lent to that enterprise reaches 30% or more of the net worth as shown in the Company’s most recent financial statements.
      D. The amount of new endorsements and guarantees provided by the Company or its subsidiaries reaches NTD30 million or more and 5% or more of the net worth as shown in the Company’s most recent financial statements.
   (3) Where a subsidiary of the Company is not a domestic publicly listed company, the Company shall be responsible for making the announcements and declarations required under the preceding paragraph on its behalf.

3. The term "announcement and declaration" in this Guideline refers to the submission of information to the information declaration website designated by the Financial Supervisory Commission.

Article 11. When the Company or a subsidiary provides an endorsement or guarantee for a subsidiary whose net worth is less than 50% of its paid-in capital, in addition to complying with the provisions of Article 9, it shall also manage the risks that may arise from such endorsement or guarantee in accordance with the provisions of Article 13; if the subsidiary's shares have no par value or a par value per share other than NTD10, the paid-in capital shall be calculated based on the sum of share capital and issuance premium for capital surplus.

Article 12. If the targets for the Company's lending of funds or provision of endorsements and guarantees are non-compliant due to business needs, or the prescribed limits are exceeded, the Company shall formulate an improvement plan and submit it to all supervisors, as well as to the independent directors, and complete the improvements in accordance with the schedule.

Article 13. Internal Control Mechanism

The Company's internal auditors shall audit the procedures and implementation of lending of funds to others and endorsements and guarantees at least once per quarter, and make written records. If any material violations are discovered, the manager and the handling personnel shall be disciplined according to the nature of the violation, with a written notice sent to all supervisors and independent directors.

Article 14. Any matters not covered by this Guideline shall be handled in accordance with relevant laws and regulations and the Company's relevant rules and regulations.

Article 14-1. Foreign companies subject to Article 165-1 of the Securities and Exchange Act that lend funds to others or provide endorsements or guarantees for others shall comply with the provisions of this Guideline; foreign companies without a seal may be exempt from the provisions of Article 9, Subparagraph 3, and the net worth shall be calculated according to the equity attributable to owners of the parent as shown on the balance sheet.

Article 15. Any amendment to this Guideline shall be submitted to the Board of Directors for discussion, and the opinions of each independent director shall be fully considered; objections or reservations of independent directors (if any) shall be recorded in the minutes of the Board meeting.

Article 15-1. Where the Company has established an Audit Committee, amendments to this Guideline shall be approved by at least one-half of all members of the Audit Committee and shall be submitted to the Board of Directors for resolution; the provisions of Article 15 shall not apply.

If approval of one-half or more of all audit committee members as required in the preceding paragraph is not obtained, the procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.

The provisions of Articles 12 and 13 regarding the supervisors shall apply mutatis mutandis to the Audit Committee.

Article 16. Upon approval by the Board of Directors, this Guideline, and any amendments hereto, shall be submitted to the shareholders' meeting for approval. If any director expresses objections and such objections are recorded or stated in writing, such objections shall be submitted to the shareholders' meeting for discussion.

A new amendment date:

These Regulations were adopted by a resolution of the Board of Directors on April 8, 2005, and implemented upon approval by the shareholders' meeting on June 29, 2005.

The 1st amendment was adopted by a resolution of the Board of Directors on March 4, 2009, and was implemented after the approval of the shareholders' meeting on May 21, 2009.

The 2nd amendment was adopted by a resolution of the Board of Directors on March 31, 2010, and was implemented after the approval of the shareholders' meeting on May 11, 2010.

The 3rd amendment was adopted by a resolution of the Board of Directors on March 14, 2012, and was implemented after the approval of the shareholders' meeting on June 26, 2012.

The 4th amendment was adopted by a resolution of the Board of Directors on February 26, 2013, and was implemented after the approval of the shareholders' meeting on June 5, 2013.

The 5th amendment was adopted by a resolution of the Board of Directors on November 6, 2020, and was implemented after the approval of the shareholders' meeting on June 10, 2021.

(Appendix 4)

DONPON PRECISION INC.

Rules and Procedures of Shareholders' Meeting (before amendment)

Article 1. To establish a strong governance system and sound supervisory capabilities for the Company's shareholders' meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies.

Article 2. The rules of procedures for the Company's shareholders' meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3. Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the board of directors.

Unless otherwise provided in Regulations Governing the Administration of Shareholder Services of Public Companies, the Company that will convene a Shareholders' Meeting with video conferencing shall expressly provide for such meetings in its Articles of Incorporation and obtain a resolution of its Board of Directors. Furthermore, convening of a virtual-only Shareholders' Meeting shall require a resolution adopted by a majority vote at a meeting of the Board of Directors attended by at least two-thirds of the total number of directors.

Any changes in the method of holding the Company's Shareholders' Meeting shall be resolved by the board of directors, and shall be made no later than sending the Shareholders' Meeting notice at the latest.

The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a regular shareholders' meeting or 15 days before the date of a special shareholders' meeting. The Company shall also prepare electronic versions of the rules of procedure manual of shareholders' meeting and supplementary information, and upload them to the MOPS 21 days before the date of a regular shareholders' meeting or 15 days before the date of a special shareholders' meeting. However, if the Company's paid-in capital reached NTD10 billion or more as of the end of the most recent fiscal year, or if the shareholding ratio of shareholders from foreign countries and Chinese Mainland recorded in the register of shareholders reached 30% or more at a regular shareholders' meeting held in the most recent fiscal year, the Company should complete the transmission of electronic files 30 days before the meeting. In addition, 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated.

The rules of procedure manual and supplementary information mentioned in the preceding paragraph shall be provided to shareholders for reference in the following ways on the then current Shareholders’ Meeting day:

1. If the Company holds a physical Shareholders' Meeting, they shall be issued on site at the meeting.
2. When a video-assisted shareholders' meeting is held, they shall be issued on site at the meeting and the electronic files shall be transmitted to the video conferencing platform.
3. When a video shareholders' meeting is held, the electronic files shall be transmitted to the video conferencing platform.

The reasons for convening a shareholders’ meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders’ meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders’ meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding 1% or more of the Company’s total number of outstanding shares may submit a proposal to the Company for discussion at an annual shareholders’ meeting, provided that only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

A shareholder may propose a suggestion for urging the Company to promote public interests or fulfill its social responsibilities, and only one matter shall be allowed in each of such proposals, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda as per Article 172-1 of the Company Act.

Prior to the book closure date before a regular shareholders’ meeting is held, the Company shall publicly announce that it will receive shareholder proposals, correspondence or electronic means, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders' meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders' meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4. For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder shall issue only one Power of Attorney and can entrust only one proxy, and shall serve the Power of Attorney to the Company at least 5 days before the Shareholders' Meeting date. If there are more than one Power of Attorney, the one served the earliest shall prevail, unless it announces to cancel the earliest appointment of the proxy.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

If a shareholder intends to attend the meeting by video after a Power of Attorney has been served to the Company, it shall send a notice about cancellation of the Power of Attorney to the Company in writing two days before the meeting date; In case of overdue cancellation, it shall be subject to the voting rights exercised by the proxy present.

Article 5. (Preparation of documents such as the attendance book)

The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

The Company shall not be subject to the restrictions on the meeting place as specified in the preceding paragraph if it holds a video Shareholders' Meeting.

Article 6. (Preparation of documents such as the attendance book)

The Company shall specify, in the meeting notice, acceptance shareholder, solicitor, the sign-in time of a proxy (hereinafter referred to as shareholder), sign-in place, and other matters for attention.

The sign-in mentioned in the preceding paragraph shall be completed at least 30 minutes prior to the meeting commencement time; There shall be clear marks, and a sufficient number of suitable persons appointed to handle sign-in affairs, at the sign-in place; For a Shareholders' Meeting held via video, shareholders shall sign in on the video conference platform of Shareholders' Meeting 30 minutes prior to the meeting commencement time, and those completed sign-in shall be deemed as attending the meeting personally.

Shareholders shall attend a Shareholders’ Meeting based on attendance cards, sign-in cards, or other certificates of attendance. The Company shall not arbitrarily raise additional requirements for other certifying documents beyond those showing eligibility to attend as presented by shareholders. A solicitor soliciting a Power of Attorney shall also take identification documents for verification.

The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

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

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

If a Shareholders’ Meeting will be held by video conference, and a shareholder intents to attend the meeting by video conference, it shall register with the Company 2 days before the meeting.

If a Shareholders’ Meeting will be held by video conference, the Company shall upload agenda, annual report and other related data to the video conference platform of Shareholders' Meeting at least 30 minutes before the meeting, and shall continue to disclose them, until the end of the meeting.

Article 6-1. (If the Company intends to hold a Shareholders’ Meeting by video, the following items shall be specified in the Shareholders’ Meeting notice)

If the Company intends to hold a Shareholders’ Meeting by video, the following items shall be specified in the Shareholders’ Meeting notice:

1. The methods for shareholders to attend the video conference and exercise their rights.
2. The method for dealing with any obstacles related to the video conference platform or to attending the meeting by video caused by any natural disasters, accidents or other force majeure events, at least including (that):
   (1) The time to which the meeting must be postponed or when it shall be resumed due to occurrence of the above-mentioned obstacles that continue and cannot be eliminated, and the date to which the meeting must be postponed or when it must be assumed.
   (2) Shareholders who have not registered attending the original Shareholders' Meeting via video shall not attend the postponed or assumed meeting.
   (3) Where a video-assisted Shareholders’ Meeting is held and the video part of the meeting cannot be continued, the meeting shall continue if the total number of shares represented by the shareholders present reaches the quorum for holding a Shareholders’ Meeting after deducting the number of shares represented by the Shareholders’ Meeting attending the meeting via video, and the number of shares represented by the shareholders attending the meeting by video shall be included in the total number of the shares represented by the shareholders

present, and it shall be regarded as abstention regarding all the resolutions at this Shareholders' Meeting.

(4) The method for dealing with the situation where the results of all the motions have been announced without extraordinary motion made.

3. For holding a video Shareholders' Meeting, appropriate alternative measures offered to the shareholders who have difficulty in attending the meeting by video shall be specified. Except for the circumstances stipulated in Paragraph 6, Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, shareholders should at least be provided with connection equipment and necessary assistance, and the period during which shareholders can apply to the Company and other relevant matters should be noted.

Article 7. (The chair and non-voting participants of a shareholders' meeting)

If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a director serves as chair, as referred to in the preceding paragraph, the director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.

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

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

The Company may appoint lawyers, accountants or related personnel to attend the shareholders' meetings.

Article 8. (Documentation of a shareholders' meeting by audio or video)

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

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

If a Shareholders' Meeting is held by video conference, the Company shall record shareholder's registration, sign-in, questioning and voting, the Company's vote counting results and other data, and shall keep such records, and record the audio and video throughout the meeting without interruption.

The Company shall properly keep the data as well as the audio and video recordings mentioned in the preceding paragraph during its survival period, and provide the audio and video recordings to the person dealing with the video meeting-related affairs as entrusted, for keeping.

If the shareholders' meeting is held by video, the Company shall make audio and video recording of the backend operation interface of the video conferencing platform.

Article 9. Attendance at shareholders’ meetings shall be calculated based on numbers of shares. The number of shares represented by the shareholders present shall be the number of shares specified in the attendance book or delivered sign-in cards and the number of shares represented by the shareholders signed in on video conference platform, plus the number of shares represented by the shareholders exercised voting rights in writing or electronically.

The Chairperson shall announce the opening of a meeting immediately at the meeting time and meanwhile, announce the number of non-voting rights and the number of shares present.

However, when the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the chairman may postpone the time for the Meeting. The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in the aggregate. If there are only the shareholders representing less than 1/3 of the total issued shares present after 2 postponements, the chairperson shall announcement adjournment. If a Shareholders’ Meeting is held by video conference, the Company shall announce such adjournment on the video conference platform of Shareholders' Meeting separately.

If there are shareholders representing less than 1/3 of the total issued shares present after 2 postponements as specified in the preceding paragraph, a tentative resolution may be made pursuant to paragraph 1 under Article 175 of the Company Act; And all shareholders shall be notified of the tentative resolution and another Shareholders’ Meeting shall be held within 1 month; If the Shareholders’ Meeting will be held by video conference, a shareholder who intents to attend the meeting by video shall register with the Company again according to Article 6.

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

Article 10. If a shareholders’ meeting is convened by the Board of Directors, the agenda shall be set by the Board of Directors, and the relevant motions (including provisional motions and amendments to original motions) shall be decided on a case-by-case basis, and the meeting shall proceed in accordance with the scheduled agenda, which cannot be changed without a resolution of the shareholders’ meeting.

If a shareholders' meeting is convened by a person other than the Board of Directors with the right to convene, the provisions of the preceding paragraph shall apply.

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

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote and arrange sufficient time for voting.

Article 11. (Shareholder speech)

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 shareholders speak will be set by the chairman. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

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

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

If a corporate shareholder designates two or more representatives to attend the meeting, only one representative can speak for each discussion item.

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

If a Shareholders' Meeting is held by video conference, the shareholders attending the meeting by video may ask questions in text form on the video conference platform of Shareholders' Meeting, after the chairperson has announced opening of the meeting, until announcing closure of the meeting. Questions may be raised for each proposal for no more than 2 times, and each question shall be limited to 200 characters, and paragraphs 1 to 5 shall not apply.

If the aforementioned questions do not violate the regulations or are within the scope of the agenda, such questions shall be disclosed on the video conferencing platform of the shareholders' meeting for information.

Article 12. (Calculation of voting shares and recusal system)

Voting at shareholders' meetings shall be counted on the basis of shares.

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

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

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

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

Article 13. A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

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

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

If a shareholder intends to attend the Shareholders' Meeting in person or by video after having exercised voting rights in writing or electronically, it shall cancel its intention showed in or related to the said exercising of voting rights 2 days before the meeting date in the same way as it has exercised voting rights. In case of overdue cancellation, it shall be subject to the voting rights exercised in writing or electronically. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and the Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chairman or a person designated by the chairman 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, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the Market Observation Post System.

When there is an amendment or an alternative to a proposal, the chairman shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

If the Company holds a Shareholders' Meeting by video, the shareholders attending the meeting by video shall vote for various proposals and election proposals through the video conference platform of Shareholders' Meeting after the chairperson has announced opening of the meeting. Such voting shall be completed before the chairperson announces closure of the meeting, and any overdue voting shall be deemed as abstention.

If a Shareholders' Meeting is held by video conference, vote shall be calculated at one time after the chairperson announces ending of voting, and the voting and election results shall be announced.

Where the Company holds a video-assisted Shareholders' Meeting, if a shareholder who has registered to attend the meeting via video under Article 6 intends to attend the meeting physically in person, it shall cancel the registration 2 days before the meeting in the same way as it has been registered; In case of overdue cancellation, it may attend the meeting via video only.

If a shareholder attending a Shareholders' Meeting via video has exercised voting rights in writing or electronically and has not canceled its intention, it shall not exercise voting rights again on, or propose any amendment to, the former proposal or exercise voting rights on such amendment, except for extraordinary motion.

Article 14. Election of directors at a Shareholders' Meeting, if any, shall be subject to the related election rules formulated by the Company, and the election results shall be announced on the site, including the list of elected directors with their vote counts, as well as the list of unsuccessful candidates with their respective vote counts.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15. Resolutions of shareholders' meetings shall be recorded in a minute book, signed or sealed by the chairman, and distributed to the shareholders within 20 days after the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of votes won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of the Company.

If a Shareholders' Meeting is held by video conference, meeting minutes shall specify the opening and ending time of the meeting, meeting holding method, name of the chairperson and the minutes, and the method for dealing with any obstacles related to the video conference platform or to attending the meeting by video caused by any natural disasters, accidents or other force majeure events and the situation thereafter, in addition to the matters that shall be recorded as specified in the preceding paragraph.

If the Company holds a video Shareholders' Meeting, it shall specify, in the minutes of the meeting, the alternative measures offered to the shareholders who have difficulty in attending the meeting by video, in addition to complying with the preceding paragraph.

Article 16. (Public disclosure)

The Company shall expressly disclose the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies, and the number of shares represented by the shareholders attending the meeting in writing or electronically, in the meeting place, by using the statistical statement prepared in the stipulated format, on the current day of the Shareholder' Meeting. If a Shareholders' Meeting will be held by video conference, the Company shall upload agenda, annual report and other related data to the video conference platform of Shareholders' Meeting at least 30 minutes before the meeting, and shall continue to disclose them, until the end of the meeting.

If the Company holds a Shareholders' Meeting by video, the total shares represented by the shareholders attending the meeting shall be disclosed on video conference platform upon announcement of the opening of the meeting. The same shall apply if total number of shares represented by the shareholders attending the meeting and the number of their voting rights are calculated separately during 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 (or GreTai Securities Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17. (Maintaining order at the meeting place)

The meeting personnel conducting the shareholders' meetings shall wear identification cards or armbands.

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

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

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

Article 18. (Recess and resumption of a shareholders' meeting)

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

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

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

Article 19. (Disclosure of video conference information)

If a Shareholders' Meeting is held by video conference, the Company shall, after ending of the voting, disclose the voting results of various proposals and election results in a real time on the video conference platform of Shareholders' Meeting according to stipulations in a continued way for at least 15 minutes after the chairperson announces a postponement of the meeting.

Article 20. (Location of the chairperson and recording persons of a video Shareholders' Meeting)

When the Company holds a video Shareholders' Meeting, chairperson and recording persons shall be at the same place in domestic, and the chairperson shall announce the address of such place when the meeting is held.

Article 21. (Dealing with disconnection)

If a Shareholders' Meeting is held by video conference, the Company shall make a simple test on connection between and among shareholders before the meeting, and shall provide related services in a real time before and during the meeting to offer assistance in dealing with any technical problems in communication.

If a Shareholders' Meeting is held by video conference, the chairperson shall, upon announcement of the opening of the meeting, separately announce that the meeting shall be adjourned within 5 days or the date when the meeting shall be assumed, and that Article 182 of the Company Act shall not apply, if any obstacle related to the video conference platform or to attending the meeting by video caused by any natural disasters, accidents or other force majeure events lasts for more than 30 minutes before the chairperson announces adjournment of the meeting, except for the situation that adjournment of meeting or assumed meeting is not required as specified in paragraph 4 under Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

In case of postponed or assumed meeting as specified in the preceding paragraph, the shareholders who have not registered attending the original Shareholders' Meeting via video shall not attend the postponed or assumed meeting.

Where a meeting needs to be postponed or resumed under paragraph 2, if a shareholder who has registered attending the original Shareholders' Meeting via video and have signed in does not attend the postponed or resumed meeting, the shares represented, and the voting and election rights already exercised, by it at the original Shareholders' Meeting shall be included and calculated in the total shares and the number of voting and election rights represented by the shareholders attending the postponed or resumed meeting.

If a Shareholders' Meeting is postponed or resumed under paragraph 2, a proposal for which voting and votes accounting have been completed and voting results or the list of those elected as directors and supervisors have been announced may not be discussed or revolved again.

Where the Company holds a video-assisted Shareholders' Meeting, in case of the failure in proceeding the video part of the meeting under paragraph 2, the Shareholders' Meeting shall proceed, without the necessity to adjourn or assume the meeting according to paragraph 2, if the total shares represented by the shareholders present reach the quorum for holding a Shareholders' Meeting after deducting the shares represented by the shareholders attending the meeting by video.

If a meeting shall proceed as specified in the preceding paragraph, the shares represented by a shareholder attending the Shareholders Meeting via video shall be included and calculated into the total shares represented by the shareholders attending the meeting, but it shall be deemed as abstaining from voting on all the resolutions of at the meeting.

If the Company adjourn or resume a Shareholders' Meeting under paragraph 2, it shall make preparation based on the original meeting date and such provisions in accordance with paragraph 7 under Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

As for the time period specified in the paragraph(s) after Article 12 and paragraph 3 under Article 13 of the Regulations on the Use of Power of Attorney to Attend Shareholders' Meeting for Public Offering Companies and in the paragraph 2 under Article 44-5, Article 44-15, and paragraph 1 under Article 44-17 of the Regulations Governing the

Administration of Shareholder Services of Public Companies, the Company shall handle it based on the postponed or assumed meeting date according to paragraph 2.

Article 22. (Dealing with difficulties)

If the Company holds a video Shareholders' Meeting, it shall offer appropriate alternative measures to the shareholders who have difficulty in attending the meeting by video. Except for the circumstances stipulated in Paragraph 6, Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, shareholders should at least be provided with connection equipment and necessary assistance, and the period during which shareholders can apply to the Company and other relevant matters should be noted.

Article 23. These Rules, and any amendments hereto, shall be implemented after adoption by shareholders' meetings.

A new amendment date:

Revision record: these rules were established on June 14, 2022, and the original Rules of Procedure for Shareholders' Meeting established on April 10, 2003 were abolished.

The 1st amendment was adopted by a resolution of the Board of Directors on February 21, 2024, and was implemented after the approval of the shareholders' meeting on June 13, 2024.

(Appendix 5)

DONPON PRECISION INC.
Articles of Incorporation
Chapter 1. General Principles

Article 1. The Company is organized in accordance with the provisions of the Company Act of the Republic of China as a joint stock company and shall be known as Donpon Precision Inc.

Article 2. The businesses of the Company are as follows:

1. C805050 Industrial Plastic Products Manufacturing.
2. CQ01010 Mold and Die Manufacturing.
3. CC01080 Electronic Parts and Components Manufacturing.
4. CC01060 Wired Communication Equipment and Apparatus Manufacturing.
5. F113070 Wholesale of Telecommunication Apparatus.
6. F213060 Retail Sale of Telecommunication Apparatus.
7. CC01101 Restrained Telecom Radio Frequency Equipments and Materials Manufacturing.
8. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import.
9. CD01030 Motor Vehicles and Parts Manufacturing.
10. F114010 Wholesale of Motor Vehicles.
11. F214010 Retail Sale of Motor Vehicles.
12. F401010 International Trade.
13. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
14. CF01011 Medical Devices Manufacturing.
15. F108031 Wholesale of Medical Devices.
16. F208031 Retail Sale of Medical Apparatus.
17. CA02010 Manufacture of Metal Structure and Architectural Components.
18. CA02990 Other Metal Products Manufacturing.
19. CB01010 Mechanical Equipment Manufacturing.
20. CB01990 Other Machinery Manufacturing.
21. CC01110 Computer and Peripheral Equipment Manufacturing.
22. CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing.

Article 3. The Company is headquartered in Taoyuan City, and may establish subsidiaries legally at home and abroad by the resolution of its Board of Directors if it is necessary.

Chapter 2. Shares

Article 4. The Company's total capital is registered at NTD1.8 billion divided into 180 million shares at NTD10 per share, of which unissued shares will be issued by the Board of Directors in tranches as authorized. A total of 3,000,000 shares of NTD30,000,000 (NTD10 per share) are reserved in the preceding capital for issuance of employee stock options by the Board of Directors in tranches as authorized when needed.

Article 4-1. Transfer of employee warrants from the Company to its employees at a price lower than the actual average buyback price of such shares or issuance of employee warrants to the employees at a subscription price lower than market price (net value per share) shall be approved by the shareholders representing more than two-thirds of the voting rights of the shareholders attending such meeting as is attended by the shareholders representing over half of the total number of issued shares.

Article 5. The shares issued by the Company may be issued without a printed share certificate, but shall be registered with a centralized security depository.

Article 6. The handling of the Company's share affairs shall comply with the provisions of the "Regulations Governing the Administration of Shareholder Services of Public Companies" issued by the competent authorities.

Article 7. Deleted.

Article 8. Transfer of shares shall be stopped at least sixty days before each regular Shareholders' Meeting, thirty days before an extraordinary Shareholders' Meeting, or five days before the based date for distribution of dividends and bonus or other benefits as decided by the Company.

Chapter 3. Shareholders' Meetings

Article 9. The Shareholders' Meetings are divided into annual shareholders' meeting and extraordinary meeting. The annual shareholders' meeting is held once a year within six months after the end of each fiscal year. Extraordinary meetings shall be convened when necessary in accordance with the relevant laws and regulations.

Article 9-1. Upon resolution of the Board of Directors, the Company may convene a physical shareholders' meeting assisted by video, video conference or by other methods as announced by the central competent authority.

Article 10. If a shareholder is unable to attend a shareholders' meeting for any reason, he or she may issue a power of attorney and appoint a proxy to attend in accordance with Article 177 of the Company Act. The shareholder attending the meeting by proxy shall be handled in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies issued by the competent authority, in addition to complying with Article 177 of the Company Act.

Article 11. The shareholders' meeting shall be convened by the Board of Directors, with the Chairman of the Board as the chairperson; if a shareholders' meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

Article 12. The Company's each shareholder shall be entitled to one vote for each share held by it, except for any shareholder who is entitled to no voting right as specified under Article 179 of the Company Act.

Article 13. Unless otherwise provided by the Company Act and relevant laws and regulations, resolutions by the shareholders' meeting shall be adopted with the approval of the attending shareholders who represent more than half of the voting rights in attendance at a shareholders' meeting attended by shareholders in person or by proxy representing more than half of the total number of outstanding shares.

Article 14. Resolutions of shareholders' meetings shall be recorded in a minute book, signed or sealed by the chairman, and distributed to the shareholders within 20 days after the meeting. The foregoing minutes shall be distributed by public announcement. Meeting minutes shall specify the year, month, date, and place of the meeting, chairperson's full name, resolution approval methods, as well as important contents and results of discussion, and shall be kept permanently during the Company's survival period.

Chapter 4. Directors and Audit Committee

Article 15. The Company shall have seven to nine directors, who shall be elected by the shareholders' meeting from among competent persons or representatives of institutional shareholders for a term of three years and shall be eligible for re-election. The total shareholding ratio of all directors shall be in accordance with the regulations of the securities regulatory authority. In accordance with Article 192-1 of the Company Act, the Company's directors shall be elected and appointed by candidate nomination system, and the shareholders shall elect from the list of director candidates. The relevant matters shall be implemented in accordance with the Company Act, the Securities and Exchange Act and other relevant laws and regulations.

Of the above-mentioned number of directors, there shall be no fewer than three independent directors, accounting no less than one-fifth of the total number of directors. Shareholders shall elect independent directors from a list of candidates.

The professional qualifications, shareholdings, restrictions on part-time employment, nomination and election of independent directors and other matters to be complied with shall be governed by the relevant regulations of the competent security authorities. The directors of the Company shall be elected in accordance with Article 198 of the Company Act.

Article 16. If the number of vacant directors reaches one-third, the Board of Directors shall convene a shareholders' meeting for by-election in accordance with the time limit specified in Article 201 or Article 217-1 of the Company Act. The term of such director shall be limited to the full term of the original director.

Article 16-1. The Company shall establish an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee shall be composed of all independent directors and shall be responsible for carrying out the duties and responsibilities of the supervisors under the Company Act, the Securities and Exchange Act and other laws and regulations.

The number of members, term of office, exercise of the functions and powers by the Audit Committee and other matters to be complied with shall be handled in accordance with the relevant laws and regulations.

The Company's Board of Directors may set up remuneration committee and other functional committees. The membership, exercise of functions and powers, and relevant matters shall be handled in accordance with relevant laws and regulations and determined by the Board of Directors.

Article 17. In case of failure to conduct a re-election timely upon expiration of the tenure of a director, the tenure of such director shall be extended, until a newly elected director takes office.

Article 18. The Board of Directors shall be organized by the directors and shall be composed of at least two-thirds of the directors present and a majority of the directors present agreeing to elect from among themselves a chairman and a vice chairman according to the business needs, who shall execute all affairs of the Company in accordance with the laws, the Articles of Incorporation, and the resolutions of the Shareholders' Meeting and the Board of Directors. The Chairman of the Board shall represent the Company externally.

Article 19. The Company's management policy and other important matters shall be resolved by the Board of Directors. The Board of Directors' meeting shall be convened by the Chairman who shall serve as the chairperson of the meeting, except for the first meeting of each Board of Directors, which shall be convened in accordance with Article 203 of the Company Act. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairman shall act in place of the chairperson in accordance with the provisions of Article 208 of the Company Act; if there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one of the directors to act as chair. Where the chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.

Article 20. Unless otherwise provided by the Company Act or relevant laws and regulations, a Board meeting shall be attended by more than half of the directors with the approval of more than half of the attending directors. A director who is unable to attend a meeting for any reason may issue a power of attorney to list the scope of authority for convening the meeting, and appoint another director to attend the meeting by proxy, but one director can only accept one power of attorney. In a Board meeting is held by video conference, the directors who participate in the video conference shall be deemed to have attended the meeting in person. For the convening of a board meeting, the directors (including independent directors) shall be notified seven days prior to the meeting date. However, in case of emergency, the Board may be convened at any time. The above notice of convening a board meeting shall state the reasons and be sent in writing or by e-mail or fax.

Article 21. Matters relating to the resolutions by the Board of Directors shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each director within 20 days after the conclusion of the meeting, which can be sent electronically. The meeting minutes shall record the main meeting proceedings and the results, and shall be kept in the Company together with the attending directors' sign-in book and directors' powers of attorney for attendance by proxy.

Article 22. Deleted.

Article 23. The remuneration of the Company's directors shall be determined by the Remuneration Committee based on the extent of their participation in the operation of the Company and the value of their contribution while with reference to the levels in the industry, and reported to the Board of Directors.

The Company may set reasonable remuneration for independent directors that is different from that of ordinary directors.

Article 24. The Company may purchase liability insurance for its directors and managers at the discretion of the Chairman, and shall report the amount, coverage and premium rate of liability insurance to the most recent board meeting.

Chapter 5. Managers & Employees

Article 25. The Company may set up several managers as needed, whose appointment, dismissal and remuneration shall be in accordance with the provisions of Article 29 of the Company Act.

Article 26. Deleted.

Chapter 6. Final Accounts

Article 27. At the close of each fiscal year, the Board of Directors shall prepare the following reports and financial statements and submit to the general meeting of shareholders according to law for approval.

1. Business Report.
2. Financial Statements.
3. Proposal for earnings distribution or deficit compensation.

Article 28. If the Company makes a profit in the current year, the Company shall set aside remunerations to employees and directors and supervisors, but if the Company still has accumulated losses, the Company shall reserve the amount for making up for losses in advance.

Of which:

1. The directors' remuneration shall not be more than 5%.
2. The employees' remuneration shall not be less than 5%.

In the amount of employees' remuneration referred to in the preceding paragraph, no less than one percent of the profit in the current fiscal year shall be allocated for the distribution of remuneration to grassroots employees.

The distribution of remunerations to employees and directors shall be decided by a resolution of the Board of Directors with at least two-thirds of the directors present at the meeting and the consent of a majority of the directors present, and shall be reported to the Shareholders' Meeting.

The remunerations to employees and grassroots employees shall be distributed in cash or share, and the distribution objects include employees meeting certain conditions from any company or companies controlled by the Company.

Article 28-1. The Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside 10% as legal reserve of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations of competent authorities, and then any remaining profit together with any undistributed retained earnings shall be used by the Company’s Board of Directors as the basis for proposing a distribution plan, which should be resolved in the shareholders’ meeting for distribution.

If the Company distributes all or part of dividend in cash, the Board of Directors is authorized to do so with the approval of at least two-thirds of the Directors present and a majority of the directors present, and to report to the shareholders' meeting.

If the Company distributes cash from legal reserve (to the extent that such reserve exceeds 25% of the paid-in capital) and all or part of the capital reserve in accordance with the Company Act, the Board of Directors is authorized to do so with the approval of at least two-thirds of the Directors present and a majority of the directors present, and to report to the shareholders' meeting.

The amount of dividends to be distributed is determined based on the Company's earnings in the current year and accumulated earnings of previous years, taking into account the Company's profit, capital structure and future business needs. The dividend distribution policy requires the evaluation of the ratio of stock dividends to cash dividends for the current year based on the capital adequacy and capital utilization needs.

Chapter 7. Supplementary Provisions

Article 29. The Company’s external investment may not be limited to 40% as specified under Article 13 of the Company Act, which shall be implemented by the Board of Directors as authorized.

Article 30. The Company may provide external guarantees for business purposes.

Article 31. The Company's Organizational Regulations and Rules for Implementation shall be formulated by the Board of Directors separately.

Article 32. Any issues or matters not specified in the Articles of Incorporation shall be subject to the Company Act and relevant laws and regulations.

Article 33. The Articles of Incorporation, whether established or amended, shall take effect upon the approval of the competent authorities.

Article 34. The Articles of Incorporation were established on March 3, 1995.
The 1st amendment was made on November 15, 1995.
The 2nd amendment was made on November 13, 1997.
The 3rd amendment was made on May 20, 1998.
The 4th amendment was made on December 22, 1999.
The 5th amendment was made on June 10, 2000.
The 6th amendment was made on January 12, 2001.
The 7th amendment was made on May 27, 2001.
The 8th amendment was made on July 31, 2001.
The 9th amendment was made on October 23, 2002.
The 10th amendment was made on May 12, 2003.
The 11th amendment was made on June 29, 2005.
The 12th amendment was made on May 22, 2006.
The 13th amendment was made on May 22, 2006.
The 14th amendment was made on June 22, 2007.
The 15th amendment was made on May 20, 2008.
The 16th amendment was made on May 21, 2009.
The 17th amendment was made on May 11, 2010.
The 18th amendment was made on May 12, 2011.
The 19th amendment was made on June 26, 2012.
The 20th amendment was made on June 8, 2016.
The 21st amendment was made on May 19, 2017.
The 22nd amendment was made on May 3, 2019.
The 23rd amendment was made on May 13, 2020.
The 24th amendment was made on July 15, 2021.
The 25th amendment was made on June 14, 2022.
The 26th amendment was made on May 12, 2023.
The 27th amendment was made on June 13, 2024.
The 28th amendment was made on May 16, 2025.

DONPON PRECISION INC.

Chairman: Tai, Chien-Chang

(Appendix 6)

Shareholdings of All Directors

1. The paid-in capital of the Company is NTD902,150,340 and the number of issued shares is 90,215,034.
2. All directors (excluding independent directors) are required to hold a legal minimum total number of shares: 7,217,202 shares.
3. List of the number of shares held by individual and all directors (including independent directors) as recorded in the register of shareholders as of March 23, 2026, the closing date of transfer for this shareholders' meeting:

Title	Name (or name of legal person)	Shares Held (shares)	Ratio of Shareholding
Chairman	Qing Heng Investment Co., Ltd. Representative: Tai, Chien-Chang	700,000	0.78%
Vice Chairman	Chen, Jung-Shu	700,276	0.78%
Director	Merry Electronics Co., Ltd. Representative: Huang, Chao-Li	13,806,100	15.3%
Director	Shen Yu Investment Co., Ltd. Representative: Lin, Yung-Nan	1,400,000	1.55%
Director	Quan Mao Investment Co., Ltd. Representative: Liu, Shih-Li	1,628,200	1.8%
Subtotal of Directors		**18,234,576**	**20.21%**
Independent Director	Guan, Jyh-Liang	10,500	0.01%
Independent Director	Wang, Hui-Ling	0	0%
Independent Director	Chen, Ying-Shou	0	0%
Independent Director	Cheng, Chuan-Shih	0	0%
Subtotal of Independent Director		**10,500**	**0.01%**
Total of all directors		**18,245,076**	**20.22%**

(Appendix 7)

Information on proposals made by shareholders holding 1% or more of the Company’s total number of outstanding shares: None