



G-SHANK ENTERPRISE CO., LTD.

2025 Annual Shareholder' Meeting

Meeting Agenda (Translation)

June 13, 2025

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G-SHANK ENTERPRISE CO., LTD.

Agenda of the 2025 Annual Shareholders' Meetings

- I. Time: 9:00 a.m., June 13 (Friday), 2025
- II. Place: The Company (No. 1, Jiuzhou Road, Jiudouli, Hsinwu District, Taoyuan City)
- III. Meeting convention: Physical shareholders' meeting
- IV. Agenda of the Annual Shareholders' Meetings:
 - i. Calling the meeting to order
 - ii. Chairman's address
 - iii. Report matters
 - 1. The 2024 Business Report
 - 2. Audit Committee's report on the 2024 Financial Statements
 - 3. Report on the 2024 employees' compensation and directors' remuneration
 - 4. Report on the investment in mainland China
 - iv. Adoption of proposals
 - 1. Adoption of the 2024 Business Report, Individual and Consolidated Financial Statements
 - 2. Adoption of the proposal of 2024 Dividend Distribution
 - v. Discussion items
 - 1. The company plans to distribute cash from the capital surplus.
 - 2. Amendment to the Company's Articles of Incorporation Extemporary motions
 - vi. Election matters
 - 1. Re-election of Director Proposal
 - vii. Other Proposals
 - 2. Proposal to Lift Restriction of Competition for New Directors
 - viii. Extemporary motions
 - ix. Adjournment

G-SHANK ENTERPRISE CO., LTD.

The 2025 Annual Shareholders' Meetings

i. Calling the meeting to order

ii. Chairman's address

iii. Report matters

1. The 2024 Business Report

(1) Operating income overview

The Company's consolidated operating income was NT\$6,609,469 thousand in 2024, an increase of 15.02% from the NT\$5,746,318 thousand in 2023, mainly due to the increase of sales in parts from an amount of NT\$6,287,999 thousand in 2024 to NT\$5,372,505 thousand in 2023, representing an increase of 17.04%. The main reason for the company's revenue growth is the transformation of its product line from consumer-focused to AI and medical applications, resulting in a higher proportion of revenue from these sectors. The relevant statistics of the product sales of the Company are illustrated as follows:

Product sales statistics

Unit: NT\$ Thousand

Item \ Year	Sales in 2024	Sales in 2023	Growth rate
Parts	6,287,999	5,372,505	17.04%
Die	204,034	205,190	-0.56%
Toolings	49,538	63,727	-22.27%
Merchandise	67,898	104,896	-35.27%
Total	6,609,469	5,746,318	15.02%

(2) Profit and loss overview

The Company's net income before tax was NT\$1,661,285 thousand in 2024, representing an increase of 57.68% from the NT\$1,053,592 thousand in 2023. The net income after tax in the 2024 was NT\$1,202,918 thousand, representing a 57.86% increase compared to NT\$761,997 thousand in the 2023. The increase in both pre-tax and after-tax net profit was mainly due to changes in the product sales mix and improvements in internal management efficiency. The profit and loss overview, budget execution, financial income and expenditure overview, and profitability analysis are detailed as follows:

Profit and Loss Overview

Unit: NT\$ Thousand

Item	Actual amount in 2024	Actual amount in 2023	Increase / Decrease ratio
Operating income	6,609,469	5,746,318	15.02%
Operating cost	4,459,380	4,081,875	9.25%
Gross profit	2,150,089	1,664,443	29.18%
Operating expense	979,309	906,861	7.99%
Other income, expense, and loss - net	383	383	0.00%
Operating profit	1,171,163	757,965	54.51%
Non-operating income and expense	490,122	295,627	65.79%
Net income before tax	1,661,285	1,053,592	57.68%
Income tax expense	458,367	291,595	57.19%
Net income	1,202,918	761,997	57.86%
Net income attributable to			
Parent company's shareholders	1,064,324	675,040	57.67%
Non-controlling interests	138,594	86,957	59.38%
Earnings per share	5.18	3.54	46.33%

(3) Budget execution

The Group did not disclose the financial forecast to the public in 2024

(4) Financial income and expense overview

Unit: NT\$ Thousand

Item		2024	2023	Increase (Decrease) ratio
Non-operating income and expense	Interest income	240,561	166,687	44.32%
	Other income	24,321	41,095	-40.82%
	Other profit and loss	173,498	54,854	216.29%
	Financial cost	(31,215)	(21,249)	46.90%
	Percentage of profit from the associates under the equity method	14,016	9,987	40.34%
	Foreign currency exchange loss – net	68,941	44,253	55.79%
	Subtotal	490,122	295,627	65.79%

(5) Profitability analysis

Item			2024	2023
Financial structure	Ratio of Liability to Assets (%)		27.91	31.26
	Ratio of long term fund to fixed assets (%)		339.59	607.14
Profitability	Ratio of Return on Total assets (%)		11.06	7.98
	Ratio of Return on Shareholders' Equity (%)		16.75	12.82
	Ratio to issued capital stock (%)	Operating income	55.74	39.72
		Net income before tax	79.07	55.21
	Profit Ratio (%)		18.20	13.26
	Earnings per share (NTD)		5.18	3.54

(6) Research and development status

(A) Industry analysis

The Company has maintained a long-term focus on the design and manufacturing of component molds for the computer, information technology, and home appliance sectors. In recent years, it has continued to allocate resources toward industrial restructuring and product diversification, expanding its presence into the automotive, industrial equipment, and medical sectors. Beginning in 2024, this strategic transformation has begun to deliver tangible results: revenue contributions from 3C products accounted for 46%, industrial equipment and medical applications 32%, and the automotive sector 22%. This balanced distribution among the three major sectors reflects steady progress toward a well-diversified “one-third each” business structure.

(a) 3C electronics industry:

The rise of 5G communications has driven three major trends—high bandwidth, massive connectivity, and low latency. Coupled with the growing adoption of Wi-Fi 7, AI applications, and AR/VR devices, the demand for faster data transmission continues to escalate. This has further enabled the advancement of real-time connectivity, smart factory optimization, telemedicine, and virtual education. These emerging applications are also accelerating the development of next-generation component technologies such as motion tracking, spatial sensing, and haptic feedback.

Moreover, the deeper integration of AI with edge computing and sensor technologies is expected to significantly enhance the perceptive and decision-making capabilities of future sensing solutions. Naturally, such progress does not arise in a vacuum—it must be built upon ongoing technological upgrades to existing hardware and software infrastructures. As a result, the requirements for key components in terms of lightweight design, precision, and functionality are rapidly advancing to higher levels—an area where our Company holds a distinct competitive advantage.

(b) Vehicle related:

The traditional automotive supply chain has relied on large-scale mold production to reduce costs. In recent years, the rapid development of smart technologies has driven the integration of various intelligent electronic devices in vehicles, strengthening ties with the electronics industry. Meanwhile, the rise of environmental awareness has accelerated the growth of the electric vehicle (EV) market, with global automakers investing heavily. EV market penetration is projected to reach 18% by 2025 and 35% by 2030. Consequently, demand for components such as automotive connectors and ECUs is expected to rise significantly. Electrification and intelligence have become the key drivers of industry transformation. Our Company has established a solid presence in this field, offering ECUs, FAKRA connectors, aluminum heat dissipation brackets, and in-car AV modules. We actively participate in technology development and are well positioned for continued growth.

(c) Industrial equipment:

Amid rising labor costs, automated assembly and production have become the preferred solution for manufacturers to reduce expenses and lower personnel-related risks. This has led to steady growth in demand for key components used in automation equipment, such as relays, PLCs, molded case circuit breakers, and circuit breakers.

As an upstream supplier in the industrial, automotive, and medical sectors, our Company ensures stable delivery of electronic components while maintaining high

flexibility. We can swiftly adjust processes and technologies to meet varying market needs. Fast transformation and rapid response are among our core competitive advantages.

(B) Responsive strategies

- (a) The traditional contract manufacturing model based solely on processing customer-supplied materials is no longer sufficient to cope with the rapidly changing global market. To enhance value and competitiveness, our Company has upgraded its electronic component supply model to ODM, actively integrating into and participating in customers' early-stage design and development processes as a key focus for future growth.
- (b) Our Company focuses on metal stamping and metal/plastic injection molding and has successfully achieved the first phase of integrated production. We have further expanded into the finished product assembly sector by establishing an electromechanical department dedicated to the design and manufacturing of automated assembly machines, thereby realizing integrated production from components to finished products.
- (c) Under the characteristics of technology-intensive industries, the inheritance of craftsmanship and technical expertise is vital to the Company's sustainable development. In addition to the continued operation of its internal training center and collaborative initiatives with three academic institutions through industry-academia partnerships, the Company has adopted a mentorship-based training system. This one-on-one, in-depth instructional approach facilitates the effective transmission of core technologies and enhances the overall technical competency of the team.
- (d) Building upon its existing foundation in 3C electronic components, the Company has expanded its market scope to include automotive-related applications and industrial equipment. As of 2024, the revenue composition is as follows: 46% from 3C products, 22% from automotive-related applications, and 32% from industrial equipment and others. In the medium to long term, the Company aims to achieve a balanced distribution among these three major segments, with each accounting for one-third of total revenue by 2025.
- (e) In response to the growing demand in the automotive market, the Company has implemented the Toyota Production System (TPS) to comprehensively enhance its production management capabilities. Key initiatives include reducing mold changeover time, improving process integration efficiency, and promoting visual management. From procurement, incoming material inspection, production, and processing to quality assurance and shipping, the Company continuously pursues lean improvements in manpower, materials, and processes to meet the stringent requirements of the automotive market for high quality and high reliability.
- (f) The Company continues to strengthen customer relationship management, upholding "manufacturing" as its core value. By integrating the most suitable processes based on customer requirements, the Company provides professional technical support to help clients shorten product development cycles. Committed to excellence, the Company strives to become the most trusted development partner for its customers.

(C) Research & Development achievements

(a) Development of High-Speed Connector Mold for Micro Board-to-Board Applications

As electronic products continue to evolve toward miniaturization, lightweight design, and high performance, micro board-to-board connector technologies are advancing accordingly. These connectors are widely applied in communications, consumer electronics, automotive devices, and other fields, with market demand showing steady growth. In response to this trend, the Company has actively invested in the development of high-speed terminal molds. Collaborating with a Japanese technical team, the Company has undertaken comprehensive learning across mold design, component machining, and assembly techniques. To date, multiple sets of molds have been successfully developed, continuously enhancing the Company's technical capabilities and expanding its portfolio of development projects.

(b) Development of Precision Spot Plating Technology

In line with the application of micro high-speed stamped terminals, the Company has simultaneously undertaken the independent development of precision spot plating technology. This technology enables precise control of plating areas and enhances coating accuracy, effectively reducing precious metal consumption and material waste amid historically high global gold prices. It also improves plating uniformity and contact performance, making it well-suited for high-end applications in the electronics, medical, and automotive sectors. From the design and fabrication of plating fixtures to testing and mass production, all processes are internally developed and executed, thereby strengthening quality control and enhancing process competitiveness.

(c) Development of Integrated Production Process for Industrial Equipment Contact Parts

Leveraging our core manufacturing capabilities in stamping, electroplating, injection molding, and assembly, our company has further integrated a fully streamlined production process for AC contactor components used in industrial equipment. These components play a critical role in preventing equipment damage caused by power overload. The development process encompasses metal stamping, diode riveting, embedded injection molding, laser marking, and electrical inspection. We have adopted a fully automated, human-machine separation production model, successfully integrating into the product lines of European clients and earning high recognition along with opportunities for continued collaboration.

(d) Multiple invention patents

GUI detection software AI Master new (invention) patent, AIOT common gateway interface APIs platform technology new (invention) patent, and flat image precision dimension measurement new (invention) patent help reinforce the information technology and services of G-SHANK ENTERPRISE CO., LTD.

(7) The 2025 business plan outline

1. Operating strategy:

Uphold the corporate culture of kindness, integrity, courage, and responsibility. Extend and adjust the Company's internal physique with "energy," "action," "movement," "discipline," "art," "goodness," "ability," "integrity," "truth," "positiveness," "harmony," "sincerity," "diligence," "win" and "people." Form an attitude of practical, courageous execution, and uplifting team morale. Also, provide customers with professional, fast,

ample, and massive service with a stable, healthy, simple, and practical business policy. Finally, achieve the management indicators of self-interest, altruism, and the greater good of the society taking as a whole; enhance management in the three aspects of quality, cost, and benefit.

- (a) Decentralized markets, diversified operations, and generated income.
 - (b) Enhance product quality control.
 - (c) Reduce costs and increase profitability.
 - (d) Internal management requires fair and reasonable rewards for merits and good deeds.
 - (e) 6S continuous pursuit of excellence
 - (f) Introduce TPS lean production system.
2. Expected sales volume and the reference: The Group does not have to disclose the financial forecast for 2025.
3. Important production and marketing policies:
- (a) Substantiate ISO system, introduce IATF 16949, and improve product quality.
 - (b) Production and sales/production planning is responsible for internal and external production management to meet customer delivery requirements.
 - (c) The sales team is divided into 8 teams by function to exercise individually and support mutually.
 - (d) Exercise the advantages of the Group and actively expand global deployment.
 - (e) Refine technology research and development and set up a “Technology Committee” to promote innovation and enhance competitiveness.
 - (f) Design of a brand new globally applicable website of the Group for international marketing.
 - (g) Substantiate education and training; actively train independent and internationalized talents.
 - (h) Quality objectives:
 - (01) Customer complaints are less than 8 cases per month.
 - (02) Sales return rate due to quality issue is PPM 2500 per month or less.
 - (03) Manufacturing process loss rate is below 0.92% per month.

(8) Future development strategy of the Company

The Company focuses on the principle of “developing the main business,” that is, the development and production of precision molds. That’s how it is and will be for the Company. However, market information is constantly changing and technology is working progress; therefore, the Company’s development strategy will be implemented in multiple aspects:

- (A) Continue to develop international market and fulfill market demand, we will be at where we are needed.
- (B) Vertical integration of upper and lower manufacturing processes and one-stop solution to meet customer needs;
- (C) Diversify market risks and aim to reach one-third of revenues from 3C/vehicle/industrial equipment.

- (D) Cooperate with Japanese industry and create a win-win situation with technology/market mutual-supplementation.
- (E) Participate in customer research and development, provide key mold technology, and work jointly to shorten the development schedule.

In addition, the Company continues to promote innovation and enhance quality control internally. The delivery management platform and the price management platform have been established currently. A control and management of raw material, price, manufacturing process, and delivery is systemized so to make the real-time and visible information available to the management. G-SHANK ENTERPRISE CO., LTD. basing on the various needs of customers plans to build a manufacturing process integration platform and to continuously improve and optimize the operation process for the satisfaction of customers and for a better operation process in response to future challenges.

(9) The impact of external competitive environment, regulatory environment, and overall business environment

(A) Impact of external competitive environment

Stamping industry is with a low entry threshold. More than 80% of the domestic operations are by small-scale business entities (less than 30 employees) according to the statistics of Taiwan Mold & Die Association. While facing the demand for a low manufacturing cost, price competition is severe that is to the disadvantage of the Company.

Chinese government has forcefully supported the fundamental industries, including tooling industry, in recent years with various preferential measures offered continuously (tax relief / low-interest loans, etc.); also, Japan, South Korea, and Taiwan have invested in the tooling industry in China with many talents cultivated. The scale, technology, management, and other aspects of the current tooling industry in China have approached or even surpassed the tooling industry in Taiwan. The rise of tooling industry in mainland China is of disadvantage to the business operation of the Company.

Therefore, the Company expects to face more severe competitions externally and exchange rate risks continuously. Especially, electronic products are the most important exports of Taiwan. The Company will continue to rely on the profound mold technology capabilities, the continuous betterment of various manufacturing processes, and the integration of upstream and downstream processes to enhance quality control. The Company bases on the advanced automation production and peripheral equipment, integrated information management system, and self-developed visual inspection system (AI CCD vision system) to gradually realize unmanned and automation production. The Company has comprehensive mold design, processing, and assembly capabilities with more than 90% mold parts made in-house, and can quickly cooperate with customers to develop precision parts and to prepare samples. There are 16 factories and 2 offices globally with the mold R&D centers set up in Taiwan and Shanghai. The R&D budget accounts for 3% of the Company's annual revenue. Amid escalating international conflicts, ongoing uncertainties related to U.S. tariff policies, and continued increases in raw material costs, the Group is expected to face heightened operational challenges.

In prospect, the Company is to work centralized on the mid-term and long-term transformation plan, and to focus on the development in the industrial machinery and smart automotives continuously with a hope to keep competitors in distance and to secure a long-term stable growth.

(B) Regulatory environment

Since the United Nations' adoption of the Paris Agreement in 2015, which sets the global target of limiting the rise in global temperatures to within 2°C above pre-industrial levels and striving to limit it within 1.5°C, countries and businesses around the world have proposed their own carbon reduction targets. For instance, the Taiwanese government plans to revise the "Greenhouse Gas Reduction and Management Act" to the "Climate Change Adaptation Act" and include a net-zero emissions target by 2050 in the regulation. Therefore, the global shift towards a low-carbon transformation is an irreversible trend.

Our company actively promotes carbon reduction in line with United Nations and national policies. Prior to embarking on carbon reduction initiatives, it is essential to understand our own greenhouse gas emissions in order to identify effective carbon reduction projects and maximize their benefits. To achieve this, G-Shank has adopted the international standard ISO 14064-1:2018 and systematically conducted greenhouse gas emission inventories and list establishment for our facilities in Taiwan (including the Xinwu and Bade plants). We have documented internal procedures, completed verification processes to provide reference and we have assisted our subsidiaries in conducting their own greenhouse gas emission inventories, providing a solid foundation for the development of cost-effective emission reduction and improvement measures in the future. Our efforts are directed towards advancing towards a low-carbon economy.

(C) Impact of overall business environment

We while facing the aforementioned external competition and domestic production cost increase base on the business philosophy of sustainable management, continuous technology innovation, manufacturing process integration from top to bottom, new project introduction, creation of an environment complying with regulations, etc. to be differentiated from the competitors in the sense of technology/delivery time/quality/environmental protection so to exercise our greatest advantage to give customers a peace of mind. We must secure an irreplaceable dominant position in the supply chain, adhere to a prudent and rigorous management attitude and concept, and continue to cultivate talents and develop specialized technologies at the 18 operation bases worldwide with a global supply network and sales system formed. The Company shall face up to the uncertain factors in the global economy calmly and respond to the challenges with a rigorous and responsible attitude for the pursuit of an optimized cost structure and the creation of better and finer quality products that are recognized by customers and will help generate more profits for the good of the shareholders and employees taking as a whole.

2. Audit Committee's Report on the 2024 Financial Statements

G-SHANK ENTERPRISE CO., LTD.

Audit Report of the Audit Committee

The Board of Directors had prepared the 2024 Business Report, Financial Report (including the Consolidated Financial Report), and Earnings Distribution Proposal, of which, the Financial Report (including the Consolidated Financial Report) was audited by CPA Lu, Jui-Wen and CPA Li, Pin-Chueh of Diwan & Company with an audit report issued. The Audit Committee found no nonconformity in the aforementioned reports. This report is thus presented to the Company for review and approval pursuant to the provisions of the Securities and Exchange Act and the Company Act.

Sincerely yours,

To

The 2025 Annual Shareholders' Meeting of G-SHANK ENTERPRISE CO., LTD.

Convener of the Audit Committee

March 7, 2025

3. Please review and approve the report on the 2024 compensation to employees and remuneration to directors.

Note:

- (1) It is to be handled in accordance with Article 17 of the Company's Articles of Incorporation.
- (2) The Company's net income before tax and before deducting compensation to employees and remuneration to directors was NT\$1,364,111,640 in 2024. An appropriation for an amount equivalent to 2.07% of the net income, that was NT\$28,176,500, was distributed as compensation to employees in cash. There is no appropriation for the remuneration to directors currently.

4. Please review and approve the report on the investment in mainland China.

Note:

- (1) G-BAO (SHENZHEN) PRECISION MOLD COMPANY, a subsidiary of the Company, has reinvested in G-BAO (HUIZHOU) PRECISION MOLD COMPANY. As of April 2025, a total of RMB 55 million has been invested.
- (2) Due to repeated audits and concerns raised by the local government, the construction schedule has experienced delays. The company is actively addressing the situation, and clearer regulatory guidance or resolutions are expected by the end of May 2025. Production is currently projected to commence in the second quarter of 2026.

iv. Adoption of proposals

Proposal 1: (Proposed by the Board of Directors)

Cause of action: Please approve the Company's 2024 Business Report, Individual and Consolidated Financial Reports.

Note:

- (1) The Company's 2024 Individual and Consolidated Financial Reports have been audited by the CPAs.
- (2) The 2024 Business Report (Please refer to Page 2-10 of the Agenda Handbooks for details)
- (3) The 2024 Financial Reports (Please refer to Page 17-39 of the Agenda Handbooks for details).

Resolutions:

Proposal 2: (Proposed by the Board of Directors)

Cause of action: The approve the Company's 2024 Profit Distribution Proposal.

Note:

- (1) In the fiscal year 2024, the company's net profit after tax amounted to NT\$1,064,324,168. Including the adjustment for the actuarial gain on the defined benefit plan for the year 2024, and deducting the share of other comprehensive income of associates accounted for using the equity method but not reclassified to profit or loss, amounting to NT\$16,185,970, and further provision of NT\$108,051,014 for legal reserve, together with the available for distribution from previous years of NT\$2,136,357,851, the total distributable profit for the year amounts to NT\$3,108,816,975. It is proposed to distribute a cash dividend of NT\$1 per share to

shareholders (based on the total number of issued shares of 210,737,958 as of February 27, 2025), totaling NT\$210,737,958. After distribution, the remaining undistributed earnings at the end of the period amount to NT\$2,898,079,017. For details of profit distribution, please refer to page 14 of this manual.

- (2) Cash dividends are calculated to the dollar (rounded up to dollar). The total amount of fractional shares is included in the Company's other income. The Chairman will be authorized to determine the ex-dividend date, dividend distribution date, and other relevant matters after the resolutions of the general shareholders' meeting.
- (3) If there is change in the Company's outstanding shares due to the repurchase of the Company's stock shares, the employee's executing stock warrant, etc., it is advisable for the shareholders' meeting to authorize the Chairman to have dividend rate adjusted discretionarily.

Resolutions:

v. Discussion items

Proposal 1: (Proposed by the Board of Directors)

The company plans to distribute cash from the capital surplus.

Explanation:

- (1) The company proposes to allocate a total of NT\$526,844,895 in cash from the capital surplus generated by the issuance of shares above par value, in accordance with Article 241 of the Company Law. The cash distribution will be made to shareholders based on the shareholding recorded on the record date, with an amount of NT\$1 per share. The calculation will be rounded down to the nearest integer, with any remaining fractions cumulatively recorded as other income of the company.
- (2) Following approval at the shareholders' meeting, the Chairman is authorized to set the distribution record date, payment date, and other related matters.
- (3) If there are subsequent changes in the number of outstanding shares due to share repurchases, conversion of convertible bonds into common shares, or the exercise of employee stock options, the Chairman is proposed to be granted full authority by the shareholders' meeting to adjust the dividend distribution rate accordingly.

Resolutions:

Proposal 2: (Proposed by the Board of Directors)

The proposed amendment to the Company's Articles of Incorporation is hereby submitted for resolution.

Explanation:

- (1) In accordance with the Financial Supervisory Commission's directive Jin-Guan-Zheng-Fa No. 1130385442 dated November 8, 2024, and to meet the Company's actual operational needs, certain provisions of the Company's Articles of Incorporation are proposed to be amended.
- (2) The comparison table of the amended provisions is provided on page 40 - 41 of this handbook.

Resolutions:

vi. Election matters

Proposal 1: (Proposed by the Board of Directors)

The proposal for the re-election of a director is hereby submitted for shareholders' election.

Explanation:

- (1) There is currently one vacant seat on the Company's Board of Directors. A by-election is proposed to be held at the 2025 Annual General Shareholders' Meeting.
- (2) One director will be elected in this by-election under the candidate nomination system. The newly elected director shall assume office immediately after the shareholders' meeting, and the term of office shall be the same as that of the original director, starting from June 13, 2025, and ending on June 8, 2026.
- (3) The list of director candidates approved by the Board of Directors at its meeting on March 7, 2025, is shown in the table below:

Position	Name	Major Education Degree	Major Experience	Number of Shares Held
Director	Lin, Ying-Shuo	Department of Physics, National Chung Hsing University	The General Manager, G-SHANK Enterprise Co., LTD.(Current position) The Director, G-SHANK Enterprise Co., LTD.	1,719,643

- (4) This proposal is hereby submitted to the shareholders' meeting for election.

Resolutions:

vii. Other proposals

Proposal 1: (Proposed by the Board of Directors)

Proposal for the Release of Newly Elected and Current Directors from Non-Competition Restrictions — Submitted for approval.

- (1) In accordance with Article 209 of the Company Act, and in consideration of business expansion and strategic alliances, the Company proposes that, without compromising the Company's business growth, newly elected and current directors be permitted to concurrently serve as directors or managers of other companies engaged in related or similar lines of business
- (2) The details of positions concurrently held by director candidates and current directors (including independent directors) are listed in the table below:

Position	Name	Currently hold concurrent positions in other companies.
Director (Candidate)	Lin, Ying-Shuo	Director, G-SHANK ENTERPRISE (M) SDN. BHD. Chairman, G-SHANK, INC. Director, SHANGHAI G-SHANK PRECISION MACHINERY CO., LTD. Chairman, HONG JING (SHANGHAI) ELECTRONICS CO., LTD. Director, XIAMEN G-SHANK PRECISION MACHINERY CO., LTD. Director, G-SHANK PRECISION MACHINERY (SUZHOU) CO., LTD. Chairman, QINGDAO G-SHANK PRECISION SDN.BHD. Director, SHENZHEN G-BAO PRECISION SDN.BHD. Director, G-SHANK JAPAN CO., LTD
Director	Lin, Yin-Chin	Director, G-SHANK PHILIPPINES CORP..
Independent Director	Ma, Shu-Chin	Independent Director, PADAUK Technology Co., Ltd Independent Director, FULLERTON TECHNOLOGY CO., LTD.

Resolutions:

viii. Extemporary Motions

ix. Adjournment

G-SHANK ENTERPRISE CO., LTD.
The 2024 Earnings Distribution Statement

Unit: NTD

Item	Amount
Unappropriated earnings - beginning	\$2,136,357,851
Add: The 2024 net profit after tax	1,064,324,168
Add: Actuarial loss from the 2024 defined benefit plan	16,207,215
Minus: The percentage of other comprehensive profit and loss from the associates under the equity method - items not reclassified to profit or loss with an adjustment made to the unappropriated earnings	(21,245)
Minus: Legal reserve appropriated	<u>(108,051,014)</u>
Distributable earnings	<u>3,108,816,975</u>
Minus: Distribution items Shareholders' dividend – cash (NT\$1.0/share)	<u>(210,737,958)</u>
Unappropriated earnings - ending	<u>\$ 2,898,079,017</u>

Note: The aforementioned shareholder dividends are based on the 210,737,958 common stock shares issued by the Company as of February 27, 2025.

INDEPENDENT AUDITOR'S REPORT

To: G-SHANK ENTERPRISE CO., LTD.

Opinion

We have audited the accompanying consolidated balance sheets of G-SHANK ENTERPRISE CO., LTD. and its subsidiaries (hereinafter referred to as the “G-SHANK GROUP”) as of December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, changes in equity, and cash flows for the years then ended, as well as the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audit and the audit reports of other independent auditors (please refer to the relevant paragraphs for details), the consolidated financial statements referred to above present fairly, in all material respects, the financial position of G-SHANK GROUP as of December 31, 2024, and 2023, and the results of its operations and its cash flows for the years then ended in conformity with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and International Financial Reporting Standards (IFRSs) that was recognized by the Financial Supervisory Commission, International Accounting Standards, Interpretations, and Notices (IFRSs), Interpretation (IFRIC) and Interpretative Announcement (SIC).

Basis for opinion

We conducted our audit in accordance with the “Rules Governing Auditing and Certification of Financial Statements by Certified Public Accountings” and generally accepted auditing standards. The responsibilities of the independent auditors under these standards will be further explained in the audit performed on the consolidated financial statements. The personnel of the CPA Firm subject to the independence requirement has acted independently from the business operations of G-SHANK GROUP in accordance with the Code of Ethics and have performed other responsibilities of the Code of Ethics. We believe that our audit and other CPA’s audit reports provide a reasonable basis for our opinion.

Key audit matters

The key audit matters refer to the most important matters in auditing the 2024 consolidated financial statements of G-SHANK GROUP in accordance with the professional judgment of the independent auditors. These matters have been handled during the process of reviewing the consolidated financial statements as a whole with audit opinions formed. The independent auditor does not express an independent opinion on these matters. The independent auditor determines that the key audit matters to be communicated in the audit report are as follows:

1. Income recognition

Please refer to Note 4.(17) to the consolidated financial statements for the accounting policy on income recognition. Also, please refer to Note 6.(24) for the operating income in detail.

The operating income of G-SHANK GROUP is mainly generated from the production and sales of molds and stamping parts. The timing of income recognition is based on the transaction conditions agreed with each individual customer. An inappropriate timing for income recognition and unreasonable estimation of the refund liabilities for sales returns and sales discounts are key matters for income recognition, which will have an impact on the financial performance of G-SHANK GROUP. The independent auditor has the income recognition classified as a key audit matter in auditing the consolidated financial statements of G-SHANK GROUP.

The auditing procedures implemented by the independent auditors for the aforementioned key audit matters include: Understanding the sales process of G-SHANK GROUP, testing the internal control related to income recognition, reviewing the terms of the sales with the major customers, performing income cut-off tests, and checking the book-entry of sales returns and discounts, the measurement of the estimated refund liabilities for sales returns and sales discounts, and the implementation of analytical procedures.

2. Inventory evaluation

Please refer to Note 4.(11) of the consolidated financial statements for the accounting policy of inventory evaluation. please refer to Note 5.(2)(D). of the consolidated financial statements for the major sources of uncertainty of significant estimates and assumptions. Please refer to Note 6.(5). of the consolidated financial statements for inventory details.

G-SHANK GROUP is mainly engaged in the production and sale of molds and stamping parts with the production and sales policies formed that are indirectly affected by the needs of end-user. The cost of inventory could be un-recoverable due to the occurrence of inventory damaged, outdated, or price dropped entirely or partially; also, when the estimated cost to be invested to completion and the estimated sale expenses increased. The use and value of inventories rely on the management's inventory policy and sale forecast. However, a forecast comes with uncertainties. Therefore, the independent director has the inventory evaluation classified as one of the key audit matters in auditing the consolidated financial statements of G-SHANK GROUP.

A decisive factor in the value of inventories is the estimated net realizable value, which is based on the most reliable evidence of the expected realizable amount of inventories available at the time of estimation. Therefore, the relevant audit procedures of the independent auditor include reviewing and assessing whether the policy of G-SHANK GROUP in determining the net realizable value of inventories can reasonably reflect the forecast of future inventory sales, historical experience and other specific circumstances, inventory aging analysis and testing so to identify whether an allowance for inventory loss in valuation is appropriated reasonably according to historical experience for a specific obsolete inventory, the correlation between the assessment of past events and the yearend situation, and the impact of the price or cost fluctuation related to the said past events on the net realizable value of inventory.

Other matters

Regarding the subsidiaries included in the consolidated financial report of G-SHANK GROUP and the relevant information of the subsidiaries disclosed in Note 13 of the consolidated financial report, the financial statements as of December 31, 2024, and 2023 of G-SHANK, INC. are prepared in conformity with the generally accepted principles of the USA, the financial statements as of December 31, 2024, and 2023 of GREAT-SHANK CO., LTD. are prepared in conformity with the generally accepted principles of Thailand, and the financial statements as of December 31, 2024, and 2023 of G-SHANK ENTERPRISE (M) SDN. BHD. are prepared in conformity with the generally accepted principles of Malaysia, which were audited by other certified public accountants instead of the independent auditor. The financial statements of G-SHANK, INC., GREAT-SHANK CO., LTD., and G-SHANK ENTERPRISE (M) SDN. BHD. are translated in conformity with the “Regulations Governing the Preparation of Financial Reports by Securities Firms” and International Financial Reporting Standards (IFRS) that was recognized by the Financial Supervisory Commission, International Accounting Standards, Interpretations, and Notices (IFRS), Interpretation (IFRIC) and Interpretative Announcement (SIC). The independent auditor has completed all necessary auditing procedures. Therefore, the opinions of the independent auditor on the unadjusted amounts in the aforementioned financial statements of the subsidiaries are based on the audit reports of other certified public accountants and the results of additional audit procedures performed by them in compliance with the “Regulations Governing the Preparation of Financial Reports by Securities Firms” and generally auditing principles of the ROC. The total assets of the aforementioned subsidiaries were NT\$1,180,673 thousand and NT\$1,056,787 thousand on December 31, 2024, and 2023, accounting for 9.57% and 10.76% of the total consolidated assets, respectively. The net operating income from January 1 to December 31, 2024, and 2023 were NT\$745,962 thousand and NT\$787,250 thousand, accounting for 11.29% and 13.70% of the consolidated net operating income, respectively.

G-Shank Group has prepared the parent company only financial reports for the years 2024 and 2023, which have been audited by our accountants with an unqualified opinion and an additional matters paragraph. These reports are available for reference.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional 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 Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 conditions may cause the Corporation and its subsidiaries to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Corporation and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls 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 relationship and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023 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 communications.

Lu, Jui-Wen

Li, Pin-chueh

Diwan & Company

March 7, 2025

Notice to Readers

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

G-SHANK ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

ASSETS		Notes	December 31, 2024		December 31, 2023	
Code	Accounts		Amount	%	Amount	%
11xx	Current assets					
1100	Cash and cash equivalents	4 & 6.(1)	\$ 3,522,837	29	\$ 3,707,859	38
1110	Financial assets at fair value through profit or loss - current	4 & 6.(2)	2,333,708	19	1,446,978	15
1150	Notes receivable, net	4,5,6.(3) & 6.(4)	31,136	-	41,327	-
1170	Accounts receivable, net	4,5 & 6.(4)	1,453,314	12	1,336,211	14
1180	Accounts receivable- related parties	4,5 & 7	-	-	3	-
1200	Other receivables	4,5 & 6.(4)	69,728	1	59,001	1
1220	Current tax assets	4 & 6.(29)	10,842	-	7,176	-
130x	Inventory	4,5 & 6.(5)	860,592	7	798,495	8
1470	Prepayments and Other current assets		55,743	-	48,080	-
1476	Other financial assets-current	4,6.(6) & 8	29,613	-	30,163	-
	Total current assets		8,367,513	68	7,475,293	76
15xx	Noncurrent Asset					
1510	Financial assets at fair value through profit or loss - noncurrent	4,5,6.(2) & 6.(13)	1,951	-	-	-
1517	Financial assets at fair value through other comprehensive income - noncurrent	4,5,6.(7) & 6.(21)	444,031	4	320,903	3
1550	Investments accounted for using equity method	4 & 6.(8)	177,776	1	168,248	2
1600	Property, Plant and Equipment	4,5 & 6.(9)	3,037,858	25	1,239,275	13
1755	Right-of-use asset	4,6.(10) & 6.(14)	251,407	2	257,954	3
1780	Intangible assets	4 & 6.(11)	1,504	-	661	-
1840	Deferred tax assets	4 & 6.(29)	9,828	-	15,205	-
1915	Prepayments for equipment	4	28,942	-	328,695	3
1920	Refundable deposits		3,781	-	3,787	-
1990	Other noncurrent assets, others	8	16,349	-	11,426	-
	Total noncurrent Asset		3,973,427	32	2,346,154	24
1xxx	Total Assets		\$ 12,340,940	100	\$ 9,821,447	100

(CONTINUING)

(Please refer to the accompanying notes to the consolidated financial statements.)

G-SHANK ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity		Notes	December 31, 2024		December 31, 2023	
Code	Accounts		Amount	%	Amount	%
21xx	Current liabilities					
2100	Short-term loans	4,6.(12) & 6.(31)	\$ 500,000	4	\$ 1,210,000	12
2130	Contract liabilities - current	4 & 6.(24)	20,745	-	19,431	-
2170	Accounts payable	4	517,367	4	435,314	4
2180	Accounts payable-related parties	4 & 7	243	-	1,277	-
2200	Other payables	4,6.(9),6.(15) & 6.(25)	677,601	6	488,841	5
2220	Other payables-related parties	4 & 7	2,789	-	2,574	-
2230	Current tax liabilities	4 & 6.(29)	226,987	2	60,532	1
2280	Lease liabilities-current	4,6.(14) & 6.(31)	56,371	-	58,922	1
2300	Other current liabilities		22,471	-	20,367	-
	Total current liabilities		2,024,574	16	2,297,258	23
25xx	Non-current liabilities					
2530	Bonds payable	4,6.(13) & 6.(31)	750,731	6	-	-
2570	Deferred tax liabilities	4 & 6.(29)	593,915	5	674,593	7
2580	Lease liabilities - noncurrent	4,6.(14) & 6.(31)	50,612	1	57,461	1
2640	Net defined benefit liabilities- noncurrent	4,5 & 6.(15)	10,750	-	29,956	-
2645	Guarantee deposits		14,032	-	10,669	-
	Total non-current liabilities		1,420,040	12	772,679	8
2xxx	Total liabilities		3,444,614	28	3,069,937	31
31xx	Equity attributable to owners of parent					
3100	Share capital	4,6.(16),6.(23) & 11				
3110	Ordinary shares		2,097,755	17	1,906,543	19
3140	Advance Receipts for Capital Stock		3,205	-	1,900	-
3200	Capital surplus	4,6.(13),6.(17),6.(20),6.(23) &	1,422,430	12	489,905	5
3300	Retained earnings					
3310	Legal reserve	6.(18) & 6.(20)	1,049,201	9	981,760	10
3320	Special reserve	6.(19)	284,690	2	284,690	3
3350	Unappropriated earnings	4,6.(20) & 11	3,216,868	26	2,512,565	26
3400	Other equity					
3410	Exchange differences on translation of foreign financial statements	4, 6.(21), 6.(22) & 6.(28)	(205,552)	(2)	(409,638)	(4)
3420	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	4, 6.(7), 6.(8), 6.(21) & 6.(28)	425,283	3	300,180	3
	Total equity attributable to owners of parent		8,293,880	67	6,067,905	62
36xx	Non-controlling interests	4 & 6.(22)	602,446	5	683,605	7
3xxx	Total Equity		8,896,326	72	6,751,510	69
	Total liabilities and equity		\$ 12,340,940	100	\$ 9,821,447	100

(Please refer to the accompanying notes to the consolidated financial statements.)

G-SHANK ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code	Accounts	Notes	2024		2023	
			Amount	%	Amount	%
4000	Sales revenue	4,6.(24) & 7	\$ 6,609,469	100	\$ 5,746,318	100
5000	Operating costs	4,6.(5),6.(15),6.(25) & 7	(4,459,380)	(67)	(4,081,875)	(71)
5900	Gross profit from operations		2,150,089	33	1,664,443	29
6000	Operating expense	4,6.(14),6.(15) & 6.(25)				
6100	Selling and marketing expenses		(272,011)	(4)	(255,336)	(5)
6200	General and administrative expenses		(546,659)	(8)	(482,032)	(8)
6300	Research and development expenses		(160,435)	(3)	(171,853)	(3)
6450	Loss (reversal) of expected credit loss	4,5 & 6.(4)	(204)	-	2,360	-
	Total operating expense		(979,309)	(15)	(906,861)	(16)
6500	Net other income (expenses)	4,6.(9),6.(25) & 6.(26)	383	-	383	-
6900	Net operating income		1,171,163	18	757,965	13
7000	Non-operating income and expenses					
7100	Interest income	6.(27)	240,561	4	166,687	3
7010	Other income	6.(7) & 6.(27)	24,321	-	41,095	-
7020	Other gains and losses	6.(2),6.(9) & 6.(27)	173,498	3	54,854	1
7050	Finance costs	4,6.(13),6.(14) & 6.(27)	(31,215)	(1)	(21,249)	-
7060	Share of the profit (loss) of associates	4,6(8) & 6.(27)	14,016	-	9,987	-
7630	Foreign exchange gains (loss)	4 & 6.(27)	68,941	1	44,253	1
	Total non-operating income and expenses		490,122	7	295,627	5
7900	Profit (loss) from continuing operations before tax		1,661,285	25	1,053,592	18
7950	Income Tax Expense	4 & 6.(29)	(458,367)	(7)	(291,595)	(5)
8200	Profit (loss) for the period		1,202,918	18	761,997	13
8300	Other comprehensive income	4,6(7),6.(8),6.(15),6.(21) & 6.(28)				
8310	Components of other comprehensive income that will not be reclassified to profit or loss :					
8311	Remeasurements of the defined benefit plan		16,207	-	(596)	-
8316	Unrealised gain (loss) on financial assets measured at fair through other comprehensive income		123,128	2	58,880	1
8320	Share of the other comprehensive (loss) income of associates		1,954	-	3,561	-
8349	Income tax benefit (expense) relating to items that will not be reclassified subsequently to profit or loss		-	-	-	-
	Other comprehensive income (loss) that will not be reclassified to profit or loss		141,289	2	61,845	1
8360	Items that may be reclassified subsequently to profit or loss :					-
8361	Exchange differences on translating foreign operations		232,267	4	(82,836)	(1)
8399	Income tax expense relating to items that may be reclassified subsequently to profit or loss		-	-	-	-
	Total items that may be reclassified subsequently to profit or loss		232,267	4	(82,836)	(1)
	Total other comprehensive income (loss) for the period		373,556	6	(20,991)	-
8500	Total comprehensive income for the period		\$ 1,576,474	24	\$ 741,006	13
8600	Net profit (loss) attributable to :					-
8610	Owners of the Corporation		\$ 1,064,324	16	\$ 675,040	12
8620	Non-controlling interests		138,594	2	86,957	1
	Net income		\$ 1,202,918	18	\$ 761,997	13
8700	Total comprehensive income attributable to :					-
8710	Owners of the Corporation		\$ 1,409,699	21	\$ 665,831	12
8720	Non-controlling interests		166,775	3	75,175	1
	Total comprehensive income		\$ 1,576,474	24	\$ 741,006	13
	Earnings per share (dollar)	4 & 6.(30)				
9750	Basic		\$ 5.18		\$ 3.54	
9850	Diluted		\$ 4.86		\$ 3.49	

(Please refer to the accompanying notes to the consolidated financial statements.)

G-SHANK ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In Thousands of New Taiwan Dollars)

Accounts	Equity Attributable to Owners of the Corporation									Non-controlling Interests	Total Equity
	Share Capital		Advance Receipts for Capital Stock	Retained Earnings			Other Equity		Total		
	Ordinary Shares	Advance Receipts for Capital Stock		Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Gains and Losses on Financial Assets at Fair Value Through Other Cmprehensive Income			
BALANCE AT JANUARY 1, 2023	\$ 1,897,843	\$ 8,700	\$ 472,021	\$ 892,927	\$ 284,690	\$ 2,365,496	\$ (338,584)	\$ 237,702	\$ 5,820,795	\$ 664,949	\$ 6,485,744
Appropriation of 2022 earnings (Note 6.(20))											
Legal reserve	-	-	-	88,833	-	(88,833)	-	-	-	-	-
Cash dividends to ordinary shareholders	-	-	-	-	-	(438,505)	-	-	(438,505)	-	(438,505)
Changes in the net interest of associates recognised under the equity method	-	-	296	-	-	-	-	-	296	-	296
Unclaimed dividends by shareholders beyond the statutory period	-	-	55	-	-	-	-	-	55	-	55
Net profit for 2023	-	-	-	-	-	675,040	-	-	675,040	86,957	761,997
Other comprehensive income for 2023	-	-	-	-	-	(633)	(71,054)	62,478	(9,209)	(11,782)	(20,991)
Total comprehensive income for 2023	-	-	-	-	-	674,407	(71,054)	62,478	665,831	75,175	741,006
Share-based payment transaction	8,700	(6,800)	17,533	-	-	-	-	-	19,433	-	19,433
Cash dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	(56,519)	(56,519)
BALANCE AT DECEMBER 31, 2023	\$ 1,906,543	\$ 1,900	\$ 489,905	\$ 981,760	\$ 284,690	\$ 2,512,565	\$ (409,638)	\$ 300,180	\$ 6,067,905	\$ 683,605	\$ 6,751,510
Appropriation of 2023 earnings (Note 6.(20))											
Legal reserve	-	-	-	67,441	-	(67,441)	-	-	-	-	-
Cash dividends to ordinary shareholders	-	-	-	-	-	(308,766)	-	-	(308,766)	-	(308,766)
Changes in the net interest of associates recognised under the equity method	-	-	524	-	-	-	-	-	524	-	524
Cash dividend distributed from capital surplus	-	-	(205,844)	-	-	-	-	-	(205,844)	-	(205,844)
Unclaimed dividends by shareholders beyond the statutory period	-	-	49	-	-	-	-	-	49	-	49
Exercise the right of disgorgement	-	-	312	-	-	-	-	-	312	-	312
Net profit for 2024	-	-	-	-	-	1,064,324	-	-	1,064,324	138,594	1,202,918
Other comprehensive income for 2024	-	-	-	-	-	16,186	204,086	125,103	345,375	28,181	373,556
Total comprehensive income for 2024	-	-	-	-	-	1,080,510	204,086	125,103	1,409,699	166,775	1,576,474
Cash capital increase	150,000	-	716,447	-	-	-	-	-	866,447	-	866,447
Equity component of issuance of convertible bonds -share options	-	-	189,655	-	-	-	-	-	189,655	-	189,655
share-based payment transaction	10,490	730	53,681	-	-	-	-	-	64,901	-	64,901
Conversion of convertible bonds	30,722	575	177,701	-	-	-	-	-	208,998	-	208,998
Cash dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	(247,934)	(247,934)
BALANCE AT DECEMBER 31, 2024	\$ 2,097,755	\$ 3,205	\$ 1,422,430	\$ 1,049,201	\$ 284,690	\$ 3,216,868	\$ (205,552)	\$ 425,283	\$ 8,293,880	\$ 602,446	\$ 8,896,326

(Please refer to the accompanying notes to the consolidated financial statements.)

G-SHANK ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

Description	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	\$ 1,661,285	\$ 1,053,592
Adjustments for		
The profit or loss items which did not affect cash flows:		
Depreciation	178,308	177,932
Amortization	24,375	15,352
Expected credit (gains) loss	204	(2,360)
Net gains on financial assets and liabilities at fair value through profit or loss	(173,467)	(63,064)
Interest expenses	31,215	21,249
Interest income	(240,561)	(166,687)
Dividends income	(11,875)	(9,500)
Share-based payment expenses	43,017	15,766
Share of profit of associates ventures accounted for using the equity method	(14,016)	(9,987)
(Gains) loss on disposal of property, plant and equipment	(610)	8,115
Unrealized foreign exchange gains	(67,927)	(23,533)
Other item	800	(1,585)
Changes in operating assets and liabilities :		
Financial assets at fair value through profit or loss	(710,206)	(517,225)
Notes receivables	10,191	1,191
Accounts receivable	(113,984)	243,753
Accounts receivable-related parties	3	12
Other receivables	(17,589)	4,769
Inventories	(65,326)	219,521
Prepayments and Other current assets	(7,570)	(7,664)
Current contract	1,314	(19,605)
Accounts payable	85,644	(109,747)
Accounts payable-related parties	(1,034)	(10,012)
Other payables	77,078	(51,607)
Other payables-related parties	215	(2,581)
Other current liabilities	2,104	(7,042)
Net defined benefit liabilities	(2,999)	(2,569)
Cash generated from operating activities:	688,589	756,484
Interest received	247,452	152,986
Dividends received	11,875	9,500
Interest paid	(16,895)	(20,934)
Income tax paid	(370,879)	(263,737)
Net cash flows from operating activities	560,142	634,299

(Continuing)

G-SHANK ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

Description	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received from investments accounted for using equity method	\$ 6,966	\$ 6,766
Acquisition of property, plant and equipment	(1,507,188)	(129,552)
Proceeds from disposal of property, plant and equipment	6,416	4,107
Decrease in refundable deposits	6	766
Acquisition of intangible assets	(608)	(456)
Acquisition of right-of-use assets	-	(2,539)
Decrease in other current financial assets	915	1,697
Increase in other noncurrent assets	(28,339)	(14,394)
Increase in prepayments for business facilities	(12,645)	(322,466)
Net cash (used in) provided by investing activities	(1,534,477)	(456,071)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (Decrease) in Short-term loans	(710,000)	140,000
Issuance of Corporate Bonds	1,134,903	-
Repayment of long-term loans	0	(79,032)
Decrease in guarantee deposits received	3,098	7,550
Cash payment for the principal portion of the lease liabilities	(13,230)	(15,345)
Payment of cash dividends	(308,766)	(438,505)
Cash dividend distributed from capital surplus	(205,844)	-
Cash capital increase	866,447	-
Employee exercise of stock warrant	21,884	3,667
Cash dividends paid by subsidiaries to non-controlling interests	(247,934)	(56,519)
Unclaimed dividends by shareholders beyond the statutory period	49	55
Exercise of reversion rights	312	-
Net cash used in financing activities	540,919	(438,129)
Effect of changes in exchange rate on cash and cash equivalents	248,394	(38,645)
Net (decrease) increase in cash and cash equivalents	(185,022)	(298,546)
Cash and cash equivalents at the beginning of the period	3,707,859	4,006,405
Cash and cash equivalents at the end of the period	<u>\$ 3,522,837</u>	<u>\$ 3,707,859</u>

(Please refer to the accompanying notes to the consolidated financial statements.)

INDEPENDENT AUDITOR’S REPORT

To: G-SHANK ENTERPRISE CO., LTD.

Opinion

The individual balance sheets of G-SHANK ENTERPRISE CO., LTD. as of December 31, 2024, and 2023, along with the individual statements of comprehensive income, statements of changes in equity, and statements of cash flows for the years ended December 31, 2024, and 2023, as well as the notes to the individual financial statements (including a summary of significant accounting policies), have been audited by our certified public accountant.

In our opinion, based on our audit and the audit reports of other independent auditors (please refer to the relevant paragraphs for details), the parent company only financial statements referred to above present fairly, in all material respects, the financial position of G-SHANK as of December 31, 2024, and 2023, and the results of its operations and its cash flows for the years then ended in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audit in accordance with the “Rules Governing Auditing and Certification of Financial Statements by Certified Public Accountings” and generally accepted auditing standards. The responsibilities of the independent auditors under these standards will be further explained in the audit performed on the consolidated financial statements. The personnel of the CPA Firm subject to the independence requirement has acted independently from the business operations of G-SHANK in accordance with the Code of Ethics and have performed other responsibilities of the Code of Ethics. We believe that our audit and other CPA’s audit reports provide a reasonable basis for our opinion.

Key audit matters

The key audit matters refer to the most important matters in auditing the 2024 parent company only financial statements of G-SHANK in accordance with the professional judgment of the independent auditors. These matters have been handled during the process of reviewing the parent company only financial statements as a whole with audit opinions formed. The independent auditor does not express an independent opinion on these matters. The independent auditor determines that the key audit matters to be communicated in the audit report are as follows:

I. Income recognition

Please refer to Note 4.(15) to the parent company only financial statements for the accounting policy on income recognition. Also, please refer to Note 6.(21) for the operating income in detail.

The operating income of G-SHANK is mainly generated from the production and sales of molds and stamping parts. The timing of income recognition is based on the transaction conditions agreed with each individual customer. An inappropriate timing for income recognition and unreasonable estimation of the refund liabilities for sales returns and sales discounts are key matters for income recognition, which will have an impact on the financial performance of G-SHANK. The independent auditor has the income recognition classified as a key audit matter in auditing the parent company only financial statements of G-SHANK.

The auditing procedures implemented by the independent auditors for the aforementioned key audit matters include: Understanding the sales process of G-SHANK, testing the internal control related to income recognition, reviewing the terms of the sales with the major customers, performing income cut-off tests, and checking the book-entry of sales returns and discounts, the measurement of the estimated refund liabilities for sales returns and sales discounts, and the implementation of analytical procedures.

II. Inventory evaluation

Please refer to Note 4.(9) of the parent company only financial statements for the accounting policy of inventory evaluation. please refer to Note 5.(2)(C) of the parent company only financial statements for the major sources of uncertainty of significant estimates and assumptions. Please refer to Note 6.(5) of the parent company only financial statements for inventory details.

G-SHANK is mainly engaged in the production and sale of molds and stamping parts with the production and sales policies formed that are indirectly affected by the needs of end-user. The cost of inventory could be un-recoverable due to the occurrence of inventory damaged, outdated, or price dropped entirely or partially; also, when the estimated cost to be invested to completion and the estimated sale expenses increased. The use and value of inventories rely on the management's inventory policy and sale forecast. However, a forecast comes with uncertainties. Therefore, the independent director has the inventory evaluation classified as one of the key audit matters in auditing the parent company only financial statements of G-SHANK.

A decisive factor in the value of inventories is the estimated net realizable value, which is based on the most reliable evidence of the expected realizable amount of inventories available at the time of estimation. Therefore, the relevant audit procedures of the independent auditor include reviewing and assessing whether the policy of G-SHANK in determining the net realizable value of inventories can reasonably reflect the forecast of future inventory sales, historical experience and other specific circumstances, inventory aging analysis and testing so to identify whether an allowance for inventory loss in valuation is appropriated reasonably according to historical experience for a specific obsolete inventory, the correlation between the assessment of past events and the yearend situation, and the impact of the price or cost fluctuation related to the said post events on the net realizable value of inventory.

Other matters

Regarding the parent company only financial report of G-SHANK and the relevant information of the investee company disclosed in Note 13. of the parent company only financial report, the financial statements as of December 31, 2024, and 2023 of G-SHANK, INC. are prepared in conformity with the generally accepted principles of the USA, the financial statements as of December 31, 2024, and 2023 of GREAT-SHANK CO., LTD. are prepared in conformity with the generally accepted principles of Thailand, and the financial statements as of December 31, 2024, and 2023 of G-SHANK ENTERPRISE (M) SDN. BHD. are prepared in conformity with the generally accepted principles of Malaysia, which were audited by other certified public accountants instead of the independent auditor. The financial statements of G-SHANK, INC., GREAT-SHANK CO., LTD., and G-SHANK ENTERPRISE (M) SDN. BHD. are translated in conformity with the “Regulations Governing the Preparation of Financial Reports by Securities Firms” and International Financial Reporting Standards (IFRS) that was recognized by the Financial Supervisory Commission, International Accounting Standards, Interpretations, and Notices (IFRS), Interpretation (IFRIC) and Interpretative Announcement (SIC). The independent auditor has completed all necessary auditing procedures. Therefore, the opinions of the independent auditor on the unadjusted amounts in the aforementioned financial statements of the subsidiaries are based on the audit reports of other certified public accountants and the results of additional audit procedures performed by them in compliance with the “Regulations Governing the Preparation of Financial Reports by Securities Firms” and generally auditing principles of the ROC. The balances of investments accounted for under the equity method in the aforementioned subsidiaries were NT\$1,029,275 thousand and NT\$916,473 thousand on December 31, 2024, and 2023, accounting for 9.41% and 10.86% of the total parent company only assets, respectively. The shares of profits recognized from subsidiaries and affiliated companies from January 1 to December 31, 2024, and 2023 were NT\$113,894 thousand and NT\$115,485 thousand, accounting for 8.53% and 13.49% of the parent company only profit before tax, respectively. Recognized the other comprehensive profit and loss of the subsidiaries and affiliated companies for an amount of NT\$71,238 thousand and NT\$(5,444) thousand, accounting for 5.05% and (0.82)% of the total comprehensive profit and loss, respectively.

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

The responsibility of the management is to have the parent alone financial report prepared fairly in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Firms” and maintain the necessary internal control related to the preparation of the parent alone financial report so to assure that the financial report is free of material misstatement.

In the preparation of the parent company only financial statements, the management’s responsibility also includes assessing the continuing operation of G-SHANK, the disclosure of the relevant matters, and the adoption of the continuing operation accounting base, unless the management intends to liquidate G-SHANK or cease the business operation, or there is lack of any option except for liquidation or suspension.

The governance unit (including the Audit Committee or supervisors) of G-SHANK is responsible for supervising the financial reporting process.

Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

The purpose of the independent auditor’s auditing of the parent company only financial statements is to obtain reasonable assurance about whether the parent company only financial statements are free of material misstatement arising from frauds or errors and with an audit report issued. Reasonable assurance means high assurance. However, the audit conducted in accordance with generally accepted auditing standards does not guarantee to have any material misstatement in the parent company only financial statements detected. Material misstatement could be arising from frauds or errors. If the misstated amount or aggregated amount is reasonably expected to affect the economic decisions made by the readers of the consolidated financial statements, it is considered significant.

The independent auditors when conducting the audit in accordance with generally accepted auditing standards shall exercise professional judgment and maintain professional suspicion. The independent auditors also perform the following auditing tasks:

- I. Identify and evaluate the risk of material misstatement arising from frauds or errors of the parent company only financial statements; design and implement proper responsive measures for the assessed risks; also, obtain sufficient and adequate audit evidence for forming an audit opinion. Frauds may involve conspiracy, forgery, deliberate omission, false declaration, or violation of internal control; therefore, the risk of material misstatement arising from fraud is higher than that caused by errors.
- II. Obtain the necessary understanding of the internal control related to the audit in order to design appropriate audit procedures under the circumstance, but the purpose is not to express an opinion on the effectiveness of the internal control of G-SHANK.
- III. Assess the appropriateness of the accounting policies adopted by the management; also, the reasonableness of the accounting estimates and related disclosures made.
- IV. Based on the audit evidence obtained, make conclusions on the suitability of the continuing operation accounting base adopted by the management and whether or not the events or circumstances causing significant doubts to the continuing operation ability of G-SHANK are with significant uncertainties. If the independent auditors believe that such events or circumstances are with significant uncertainties, it is necessary to remind the readers of the parent company only financial statements in the audit report to pay attention to the relevant disclosure or to revise the audit opinion when such disclosures are inappropriate. The conclusion of the independent auditors is based on the audit evidence obtained as of the audit report date. However, future events or circumstances may result in the inability of G-SHANK to continue operating.
- V. Assess the overall presentation, structure, and content of the parent company only financial statements (including the relevant notes) and whether or not the relevant transactions and events in the consolidated financial statements are presented fairly.
- VI. Obtain sufficient and appropriate audit evidence on the financial information of the individual business entity within the G-SHANK in order to express an opinion on the parent company only financial statements. The independent auditors are responsible for guiding, supervising, and implementing the auditing process of the G-SHANK; also, are responsible for forming an opinion on the audit of the G-SHANK.

The matters communicated by the independent auditors to the governing unit include the scope and timing of the planned audit, and the significant findings (including the major nonconformities of internal controls identified in the auditing process).

The independent auditors have provided to the governing unit the declaration of independence of the CPA Firm personnel subject to the Code of Ethics; also, have communicated with the governing unit regarding the relationship and other matters (including the relevant protection measures) that may affect the independence of the independent auditors.

The independent auditors have based on the communications with the governing unit to determine the key audit matters to be performed on the 2024 parent company only financial statements of G-SHANK. The independent auditors shall state the key audit matters in the audit report except for the specific matters prohibited from being disclosed, or, in rare cases; the independent auditors decide not to have specific matters communicated in the audit report since the negative effect of such disclosure can be reasonably expected to be greater than the increase of public interest.

Lu, Jui-Wen

Li, Pin-chueh

Diwan & Company

March 7, 2025

Notice to Readers

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

G-SHANK ENTERPRISE CO., LTD.
PARENT COMPANY ONLY BALANCE SHEET
December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

ASSETS		Notes	December 31, 2024		December 31, 2023	
Code	Accounts		AMOUNT	%	AMOUNT	%
11xx	Current assets					
1100	Cash and cash equivalents	4 & 6.(1)	\$ 900,436	8	\$ 619,238	7
1110	Financial assets at fair value through profit or loss - current	4 & 6.(2)	2,193,988	20	1,320,131	16
1150	Notes receivable, net	4, 5, 6.(3) & 6.(4)	6,775	-	4,095	-
1170	Accounts receivable, net	4, 5 & 6.(4)	523,716	5	430,952	5
1180	Accounts receivable- related parties	4, 5 & 7	3,938	-	2,026	-
1200	Other receivables	4, 5 & 6.(4)	40,529	1	30,111	1
1210	Other receivables - related parties	4, 5 & 7	2,760	-	950	-
130x	Inventory	4, 5 & 6.(5)	208,161	2	188,278	2
1470	Prepayments and Other current assets		14,393	-	9,613	-
1476	Other financial assets-current	4 & 6.(6)	<u>5,057</u>	<u>-</u>	<u>7,637</u>	<u>-</u>
	Total current assets		<u>3,899,753</u>	<u>36</u>	<u>2,613,031</u>	<u>31</u>
15xx	Noncurrent Asset					
1510	Financial assets at fair value through other income - noncurrent	4, 5, 6.(2) & 6.(12)	1,951	-	-	-
1517	Financial assets at fair value through other comprehensive income	4, 5, 6.(7) & 6.(19)	444,031	4	320,903	4
1550	Investments accounted for using equity method	4 & 6.(8)	4,385,596	40	4,699,117	56
1600	Property, Plant and Equipment	4,5,6.(9) & 7	2,183,999	20	477,830	5
1780	Intangible assets	4 & 6.(10)	413	-	492	-
1840	Deferred tax assets	4 & 6.(26)	8,228	-	13,194	-
1915	Prepayments for equipment	4 & 9.	1,448	-	311,081	4
1920	Refundable deposits		491	-	499	-
1990	Other noncurrent assets, others		<u>9,906</u>	<u>-</u>	<u>4,978</u>	<u>-</u>
	Total noncurrent Asset		<u>7,036,063</u>	<u>64</u>	<u>5,828,094</u>	<u>69</u>
1xxx	Total Assets		<u>\$ 10,935,816</u>	<u>100</u>	<u>\$ 8,441,125</u>	<u>100</u>

(CONTINUING)

(Please refer to the accompanying notes to the individual financial statements.)

G-SHANK ENTERPRISE CO., LTD.
PARENT COMPANY ONLY BALANCE SHEET
December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity		Notes	December 31, 2024		December 31, 2023	
Code	Accounts		AMOUNT	%	AMOUNT	%
21xx	Current liabilities					
2100	Short-term loans	4, 6.(11) & 6.(28)	\$ 500,000	4	\$ 1,210,000	15
2130	Contract liabilities - current	4 & 6.(21)	9,271	-	6,497	-
2170	Accounts payable	4	171,833	2	149,351	2
2180	Accounts payable-related parties	4 & 7	613	-	2,041	-
2200	Other payables	4, 6.(9), 6.(13) & 6.(22)	413,520	4	275,060	3
2220	Other payables-related parties	4 & 7	2,815	-	2,706	-
2230	Current tax liabilities	4 & 6.(26)	170,203	2	13,166	-
2300	Other current liabilities		<u>14,665</u>	<u>-</u>	<u>6,789</u>	<u>-</u>
	Total current liabilities		<u>1,282,920</u>	<u>12</u>	<u>1,665,610</u>	<u>20</u>
25xx	Non-current liabilities					
2530	Bonds Payable	4, 6.(12) & 6.(28)	750,731	7	-	-
2570	Deferred tax liabilities	4 & 6.(26)	592,641	5	674,593	8
2640	Net defined benefit liabilities- noncurrent	4, 5 & 6.(13)	10,750	-	29,956	-
2645	Guarantee deposits		<u>4,894</u>	<u>-</u>	<u>3,061</u>	<u>-</u>
	Total non-current liabilities		<u>1,359,016</u>	<u>12</u>	<u>707,610</u>	<u>8</u>
2xxx	Total liabilities		<u>2,641,936</u>	<u>24</u>	<u>2,373,220</u>	<u>28</u>
31xx	Equity attributable to owners of parent					
3100	Share capital	4, 6.(14), 6.(20) & 11				
3110	Ordinary shares		2,097,755	19	1,906,543	23
3140	Advance Receipts for Capital Stock		3,205	-	1,900	-
3200	Capital surplus	4, 6.(14), 6.(15), 6.(18), 6.(20)	1,422,430	13	489,905	6
3300	Retained earnings					
3310	Legal reserve	6.(16) & 6.(18)	1,049,201	10	981,760	12
3320	Special reserve	6.(17)	284,690	3	284,690	3
3350	Unappropriated earnings	4, 6.(18) & 11	3,216,868	29	2,512,565	30
3400	Other equity					
3410	Exchange differences on translation of foreign financial statements	4, 6.(8), 6.(19) & 6.(25)	(205,552)	(2)	(409,638)	(5)
3420	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	4, 6.(7), 6.(8), 6.(19) & 6.(25)	<u>425,283</u>	<u>4</u>	<u>300,180</u>	<u>3</u>
3xxx	Total Equity		<u>8,293,880</u>	<u>76</u>	<u>6,067,905</u>	<u>72</u>
	Total liabilities and equity		<u>\$ 10,935,816</u>	<u>100</u>	<u>\$ 8,441,125</u>	<u>100</u>

(Please refer to the accompanying notes to the individual financial statements.)

G-SHANK ENTERPRISE CO., LTD.

PARENT COMPANY ONLY STATEMENT OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, except for earnings per share amounts)

Code	Accounts	Notes	For the years ended December 31,			
			2024	%	2023	%
4000	Sales revenue	4, 6.(21) & 7	\$ 2,016,460	100	\$ 1,942,821	100
5000	Operating costs	4, 6.(5), 6.(13), 6.(22), 6.(29) & 7	<u>(1,616,228)</u>	<u>(80)</u>	<u>(1,583,842)</u>	<u>(82)</u>
5900	Gross profit from operations		<u>400,232</u>	<u>20</u>	<u>358,979</u>	<u>18</u>
6000	Operating expense	4, 6.(13), 6.(22), 6.(29) & 7				
6100	Selling and marketing expenses		(99,446)	(5)	(96,846)	(5)
6200	General and administrative expenses		(219,839)	(10)	(166,323)	(8)
6300	Research and development expenses		(41,935)	(2)	(50,597)	(3)
6450	Loss (reversal) of expected credit loss	4, 5 & 6.(4)	<u>448</u>	<u>-</u>	<u>(192)</u>	<u>-</u>
	Total operating expense		<u>(360,772)</u>	<u>(18)</u>	<u>(313,958)</u>	<u>(16)</u>
6500	Other operating income and expenses, net	4, 6.(9), 6.(22) & 6.(23)	<u>383</u>	<u>-</u>	<u>383</u>	<u>-</u>
6900	Net operating income (loss)		<u>39,843</u>	<u>2</u>	<u>45,404</u>	<u>2</u>
7000	Non-operating income and expenses					
7100	Interest income	6.(24)	167,793	8	116,788	6
7010	Other income	6.(7), 6.(24) & 7	72,865	4	79,588	4
7020	Other gains and losses	6.(2), 6.(24) & 7	168,820	8	62,976	3
7050	Finance costs	4, 6.(12) & 6.(24)	(28,258)	(1)	(18,304)	(1)
7070	Share of the profit (loss) of associates and subsidiaries for using equity method	4, 6.(8) & 6.(24)	862,112	43	558,304	29
7630	Foreign exchange gains (loss)	4 & 6.(24)	<u>52,760</u>	<u>3</u>	<u>11,525</u>	<u>1</u>
	Total non-operating income and expenses		<u>1,296,092</u>	<u>64</u>	<u>810,877</u>	<u>42</u>
7900	Profit (loss) from continuing operations before tax		1,335,935	66	856,281	44
7950	Income Tax Expense	4 & 6.(26)	<u>(271,611)</u>	<u>(13)</u>	<u>(181,241)</u>	<u>(9)</u>
8200	Profit (loss) for the period		<u>1,064,324</u>	<u>53</u>	<u>675,040</u>	<u>35</u>
8300	Other comprehensive income	4, 6.(7), 6.(8), 6.(13), 6.(19) & 6.(25)				
8310	Components of other comprehensive income that will not be reclassified to profit or loss :					
8311	Remeasurements of the defined benefit plan		16,207	1	(596)	-
8316	Unrealised gain (loss) on financial assets measured at fair through other comprehensive income		123,128	6	58,880	3
8330	Share of the other comprehensive (loss) income of associates for using equity method-will not be reclassified to profit or loss		<u>1,954</u>	<u>-</u>	<u>3,561</u>	<u>-</u>
	Other comprehensive income (loss) that will not be reclassified to profit or loss		<u>141,289</u>	<u>7</u>	<u>61,845</u>	<u>3</u>
8360	Items that may be reclassified subsequently to profit or loss :					
8380	Share of the other comprehensive income of subsidiaries and associates for using equity method-will may be reclassified subsequently to profit or loss		204,086	10	(71,054)	(4)
8399	Income tax expense relating to items that may be reclassified subsequently to profit or loss		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total items that may be reclassified subsequently to profit or loss		<u>204,086</u>	<u>10</u>	<u>(71,054)</u>	<u>(4)</u>
	Total other comprehensive income (loss) for the period		<u>345,375</u>	<u>17</u>	<u>(9,209)</u>	<u>1</u>
8500	Total comprehensive income for the period		<u>\$ 1,409,699</u>	<u>70</u>	<u>\$ 665,831</u>	<u>34</u>
	Earnings per share (dollar)	4 & 6.(27)				
9750	Basic		<u>\$ 5.18</u>		<u>\$ 3.54</u>	
9850	Diluted		<u>\$ 4.86</u>		<u>\$ 3.49</u>	

(Please refer to the accompanying notes to the individual financial statements.)

G-SHANK ENTERPRISE CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

(In Thousands of New Taiwan Dollars)

Accounts	Equity Attributable to Owners of the Corporation								
	Share Capital		Capital Surplus	Retained Earnings			Other Equity		Total
	Ordinary Shares	Advance Receipts for Capital Stock		Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Gains and Losses on Financial Assets at Fair Value Through Other Comprehensive Income	
BALANCE AT JANUARY 1, 2023	\$ 1,897,843	\$ 8,700	\$ 472,021	\$ 892,927	\$ 284,690	\$ 2,365,496	\$ (338,584)	\$ 237,702	\$ 5,820,795
Appropriation of 2022 earnings (Note 6.(18))									
Legal reserve	-	-	-	88,833	-	(88,833)	-	-	-
Cash dividends to ordinary shareholders	-	-	-	-	-	(438,505)	-	-	(438,505)
Changes in associates recognised under the equity method	-	-	296	-	-	-	-	-	296
Unclaimed dividends by shareholders beyond the statutory period	-	-	55	-	-	-	-	-	55
Net profit for 2023	-	-	-	-	-	675,040	-	-	675,040
Other comprehensive income for 2023	-	-	-	-	-	(633)	(71,054)	62,478	(9,209)
Total comprehensive income for 2023	-	-	-	-	-	674,407	(71,054)	62,478	665,831
Share-based payment transaction	8,700	(6,800)	17,533	-	-	-	-	-	19,433
BALANCE AT DECEMBER 31, 2023	\$ 1,906,543	\$ 1,900	\$ 489,905	\$ 981,760	\$ 284,690	\$ 2,512,565	\$ (409,638)	\$ 300,180	\$ 6,067,905
Appropriation of 2023 earnings (Note 6.(18))									
Legal reserve	-	-	-	67,441	-	(67,441)	-	-	-
Cash dividends to ordinary shareholders	-	-	-	-	-	(308,766)	-	-	(308,766)
Changes in associates recognised under the equity method	-	-	524	-	-	-	-	-	524
Cash dividend distributed from capital surplus	-	-	(205,844)	-	-	-	-	-	(205,844)
Unclaimed dividends by shareholders beyond the statutory period	-	-	49	-	-	-	-	-	49
Exercise the right of disgorgement	-	-	312	-	-	-	-	-	312
Net profit for 2024	-	-	-	-	-	1,064,324	-	-	1,064,324
Other comprehensive income for 2024	-	-	-	-	-	16,186	204,086	125,103	345,375
Total comprehensive income for 2024	-	-	-	-	-	1,080,510	204,086	125,103	1,409,699
Cash capital increase	150,000	-	716,447	-	-	-	-	-	866,447
Equity component of issuance of convertible bonds -share options	-	-	189,655	-	-	-	-	-	189,655
share-based payment transaction	10,490	730	53,681	-	-	-	-	-	64,901
Conversion of convertible bonds	30,722	575	177,701	-	-	-	-	-	208,998
BALANCE AT DECEMBER 31, 2024	\$ 2,097,755	\$ 3,205	\$ 1,422,430	\$ 1,049,201	\$ 284,690	\$ 3,216,868	\$ (205,552)	\$ 425,283	\$ 8,293,880

(Please refer to the accompanying notes to the individual financial statements.)

G-SHANK ENTERPRISE CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

Description	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	\$ 1,335,935	\$ 856,281
Adjustments for		
The profit or loss items which did not affect cash flows:		
Depreciation	72,754	65,911
Amortization	17,625	4,492
Expected credit (profit) loss	(448)	192
Net loss on financial assets and liabilities at fair value through profit or loss	(167,243)	(62,757)
Interest expenses	28,258	18,304
Interest income	(167,793)	(116,788)
Dividends income	(11,875)	(9,500)
Share-based payment expenses	43,017	15,766
Share of profit of subsidiaries and associates ventures accounted for using the equity method	(862,112)	(558,304)
Profit on disposal of property, plant and equipment	(1,577)	(219)
Unrealized foreign exchange losses	(10,161)	6,929
Other item	800	(1,585)
Changes in operating assets and liabilities :		
Financial assets at fair value through profit or loss	(708,861)	(494,789)
Notes receivables	(2,680)	(1,198)
Accounts receivable	(90,282)	126,163
Accounts receivable-related parties	(1,851)	2,016
Other receivables	(5,553)	(6,515)
Other receivables -related parties	(1,788)	1,447
Inventories	(23,112)	67,304
Prepayments and Other current assets	(4,687)	(3,720)
Current contract	2,774	2,536
Accounts payable	26,136	(59,862)
Accounts payable-related parties	(1,440)	(9,455)
Other payables	26,822	(20,632)
Other payables-related parties	110	(960)
Other current liabilities	7,876	(4,196)
Net defined benefit liabilities	(2,999)	(2,569)
Cash inflows and outflows generated from operating activities:	(502,355)	(190,780)
Interest received	162,928	118,182
Dividends received	11,875	9,500
Interest paid	(13,938)	(17,989)
Income tax paid	(191,560)	(150,877)
Net cash inflows and outflows from operating activities	(533,050)	(231,964)

(Continuing)

G-SHANK ENTERPRISE CO., LTD. AND SUBSIDIARIES
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

Description	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash dividends issued by investee companies using equity method	\$ 1,382,197	\$ 262,247
Acquisition of property, plant and equipment	(1,354,328)	(45,192)
Proceeds from disposal of property, plant and equipment	2,494	242
Increase in refundable deposits	8	136
Acquisition of intangible assets	(255)	(281)
Decrease in other current financial assets	2,945	(135)
Increase in other noncurrent assets	(22,219)	(3,547)
Increase in prepayments for business facilities	(1,448)	(311,081)
Net cash provided by investing activities	<u>9,394</u>	<u>(97,611)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (Decrease) in Short-term borrowings	(710,000)	140,000
Issuance of Convertible Bonds	1,134,903	-
Repayment of long-term borrowings	-	(79,032)
Increase in Deposited Guarantee	1,833	-
Payment of cash dividends	(308,766)	(438,505)
Cash dividend distributed from capital surplus	(205,844)	-
Cash capital increase	866,447	-
Employee exercise of stock warrant	21,884	3,667
Unclaimed dividends by shareholders beyond the statutory period	49	55
Exercise of the right of disgorgement	312	-
Net cash (used in) provided by financing activities	<u>800,818</u>	<u>(373,815)</u>
Effect of changes in exchange rate on cash and cash equivalents	<u>4,036</u>	<u>(2,262)</u>
Net (decrease) increase in cash and cash equivalents	281,198	(705,652)
Cash and cash equivalents at the beginning of the period	<u>619,238</u>	<u>1,324,890</u>
Cash and cash equivalents at the end of the period	<u>\$ 900,436</u>	<u>\$ 619,238</u>

(Please refer to the accompanying notes to the individual financial statements.)

Articles of Incorporation Amendment Comparison Table

Cross-reference of the amendments to the “Articles of Incorporation” before and after

Before amendments	After amendments	Remarks
Article 1: The Company is organized in accordance with the Company Act and named “G-SHANK ENTERPRISE CO., LTD.”	Article 1: The Company is organized in accordance with the Company Act and named “G-SHANK ENTERPRISE CO., LTD.”	Amendment to the Company's English Name
Article 17: If there is net income before tax and before deducting compensation to employees and remuneration to directors, an amount equivalent to 1%~10% of the net income shall be appropriated to pay compensation to employees and an amount not more than 3% of the net income shall be appropriated to pay remuneration to directors. However, if there remains cumulative loss, the Company shall have the equivalent amount reserved to make up for the said cumulative loss. The compensation to employees stated in the preceding paragraph shall be paid with stock shares or in cash. The recipients of such compensation may include employees of subordinate companies who meet the conditions set by the board of directors. The remuneration to directors can be paid only in cash. The earnings distribution stated in the preceding paragraph shall be implemented according to the resolution of the board of directors and the presentation in the shareholders’ meeting.	Article 17: If there is net income before tax and before deducting compensation to employees and remuneration to directors, an amount equivalent to 1%~10% of the net income shall be appropriated to pay compensation to employees and an amount not more than 3% of the net income shall be appropriated to pay remuneration to directors. However, if there remains cumulative loss, the Company shall have the equivalent amount reserved to make up for the said cumulative loss. <u>Of the amount allocated as employee compensation in the preceding paragraph, no less than 30% shall be distributed to grassroots employees.</u> The compensation to employees shall be paid with stock shares or in cash. The recipients of such compensation may include employees of subordinate companies who meet the conditions set by the board of directors. The remuneration to directors can be paid only in cash. The earnings distribution stated in the preceding paragraph shall be implemented according to the resolution of the board of directors and the presentation in the shareholders’ meeting.	This amendment is made to align with amendments to relevant laws and regulations.

Before amendments	After amendments	Remarks
<p>Chapter VII Supplementary Provisions</p> <p>Article 18:</p> <p>The Company is currently engaging in a growing industry; therefore, the Company will develop and expand along with business development in the future. The earnings distribution will be handled in accordance with the Articles of Incorporation. However, for the distribution of dividends to shareholders in the current year, the maximum proportion of stock dividends shall not exceed 50% of the total dividends distributed; that is, the remaining dividends must be in the form of cash dividends.</p>	<p>Chapter VI Accounting</p> <p>Articles 16 to 17-1 (Omitted)</p> <p>Article 18:</p> <p>The Company is currently engaging in a growing industry; therefore, the Company will develop and expand along with business development in the future. The earnings distribution will be handled in accordance with the Articles of Incorporation. However, for the distribution of dividends to shareholders in the current year, the maximum proportion of stock dividends shall not exceed 50% of the total dividends distributed; that is, the remaining dividends must be in the form of cash dividends.</p>	<p>Article 18: The section is adjusted to Chapter 6.</p>
<p>Article 22:</p> <p>The “Articles of Incorporation” was enacted on _____. The 29th amendment was made on June 13, 2019. The 30th amendment was made on June 15, 2020. The 31st amendment was made on June 10, 2022.</p>	<p>Article 22:</p> <p>The “Articles of Incorporation” was enacted on _____. The 29th amendment was made on June 13, 2019. The 30th amendment was made on June 15, 2020. The 31st amendment was made on June 10, 2022. <u>The 32rd amendment was made on June 13,2025.</u></p>	<p>The amendment date is added.</p>

G-SHANK ENTERPRISE CO., LTD.

Articles of Incorporation (Before Amendment)

Chapter I. General Provisions

Article 1.

The Company is organized in accordance with the Company Act and named “G-SHANK ENTERPRISE CO., LTD.”

Article 2.

The business operation of the Company:

- (1) Manufacturing and trading of molds and stampings;
- (2) Manufacturing and trading of tools and automation machines;
- (3) Assembly and processing of electrical components and finished products;
- (4) Assembly and processing of mechanical components and finished products
- (5) The operation of import and export business and the agency business of domestic and foreign manufacturers;
- (6) Except for the business operations subject to special approval, all business not prohibited or restricted by law and regulations;

Article 3.

The Company has the head office setup in Taoyuan City, and may set up branches or offices, when necessary, according to the resolution of the board of directors.

Chapter II. Shares

Article 4.

The total authorized capital stock of the Company is NT\$3.5 billion with 350 million shares issued at NT\$10 par and with the board of directors authorized to make multiple issuances and handle all relevant matters.

In terms of the total capital stock referred to in Paragraph I, an amount for NT\$200 million is reserved for the issuance of stock warrants for a total of 20 million shares at NT\$10 par with multiple issuances arranged in accordance with the resolution of the board of directors.

Article 5.

The Company’s stock shares are ordered and signed or stamped by the representing directors, and are issued after being certified by the competent authority or its authorized issuance agency.

The Company is exempted from printing certificates for the shares issued, provided that the centralized securities depository institution should be contacted for registration or custody.

Article 6

The entries to the shareholders' register shall be ceased within 60 days prior to the convening date of a general shareholders' meeting, or within 30 days prior to the convening date of an extraordinary shareholders' meeting, or within 5 days prior to the target date fixed by the Company for distribution of dividends, bonus, or other benefits.

Article 7.

Shareholders should fill in the specimen card when opening an account for the record of the Company. The receipt of dividends and exercise of equity in writing in the future must be with the proof of the specimen card on file. Unless otherwise provided by the Company Act or the securities regulations, it is to be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" of the Financial Supervisory Commission.

Chapter III. Shareholders' Meeting

Article 8.

The shareholders' meeting includes both general shareholders' meeting that is to be held at least once a year and convened by the board of directors within 6 months at the end of the fiscal year and extraordinary shareholders' meeting that is to be held when necessary.

Article 8-1.

The Company's shareholders' meeting may be convened by virtual communication network or other methods announced by the central competent authority. A virtual shareholders' meeting shall be convened in compliance with the relevant regulations on the conditions, operating procedures, and other mandatory matters; also, the regulations otherwise imposed by the competent authorities shall prevail.

Article 9.

The shareholder who cannot attend the shareholders' meeting for reasons may appoint a proxy to attend the meeting by providing the proxy form issued by the Company with the scope of the proxy's authorization detailed, then signed and sealed. The use of the proxy form, unless otherwise provided by the Company Act, shall be handled in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies."

Article 10.

The Company's shareholders are entitled to one voting power in respect of each share in their possession, unless otherwise provided by law and regulations.

Article 11.

Resolutions reached in the Company's shareholders' meeting shall, unless otherwise provided by the Company Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

Chapter IV. Directors

Article 12.

The Company has a quorum of 7~11 directors set. The candidate nomination system is adopted for the shareholders to elect the directors from among the nominees listed in the register of director candidates. The directors are elected for a 3-year term and eligible for re-election.

According to the quorum of board directors set in the preceding paragraph, there shall be not less than 3 independent directors in number and not less than one-fifth of the total number of directors. Independent directors shall possess professional knowledge and there shall be restrictions on their shareholdings, restriction on holding employment concurrently, nomination and election method, and other requirements on compliance that are to be handled in accordance with the Company Act, and relevant requirements of the competent securities authorities.

The Company shall acquire liability insurance for the directors during the term of office according to their indemnity responsibilities within the scope of business execution lawfully.

Article 12-1.

The Company's board of directors has the Audit Committee, Remuneration Committee, and other functional committees formed, of which, the Audit Committee is formed by all independent directors.

The duties, organizational charters, exercise of powers, and other matters to be complied with by the Audit Committee referred to in the preceding paragraph shall be handled in accordance with the relevant regulations of the competent securities authority and the Company.

Article 13.

The board of directors is organized by all directors. The Chairman is elected with the consent of more than half of the directors present at the meeting that is attended by more than two-thirds of the directors. The Chairman is to chair the shareholders' meeting internally and to represent the Company externally.

Article 14.

When the Chairman requests leave or is unable to exercise his/her powers for any reason, the representative of the Chairman shall be processed in accordance with Article 208 of the Company Act. If a director is unable to attend the board meeting for some reasons, he/she may entrust another director to attend the meeting as his/her proxy in accordance with Article 205 of the Company Act. The aforementioned proxy is limited to one person only.

Article 14-1.

The reasons for convening the board meeting shall be detailed in the written meeting notice and sent to each director 7 days in advance. However, a board meeting can be convened at any time in case of emergency.

The aforementioned meeting notice can be sent to each director by correspondence, fax, or e-mail.

Article 14-2.

The board of directors is authorized to determine the remuneration and allowance for travel expenses to

the Company's board directors based on the degree of their participation in the Company's business operation and the value of their contributions, and with reference to the standards of the industry.

Chapter V Management

Article 15.

The Company may have one President and several Vice Presidents appointed to serve; also, their appointment, dismissal, and remuneration is to be handled in accordance with Article 29 of the Company Act.

Chapter VI Accounting

Article 16.

The Company's board of directors shall have the following reports prepared at the end of each fiscal year, and then presented in the shareholders' meeting for resolutions in accordance with the statutory procedures: (I) The business report; (II) The financial statements; and (III) The earning distribution or loss off-setting proposals.

Article 17.

If there is net income before tax and before deducting compensation to employees and remuneration to directors, an amount equivalent to 1%~10% of the net income shall be appropriated to pay compensation to employees and an amount not more than 3% of the net income shall be appropriated to pay remuneration to directors. However, if there remains cumulative loss, the Company shall have the equivalent amount reserved to make up for the said cumulative loss.

The compensation to employees stated in the preceding paragraph shall be paid with stock shares or in cash. The recipients of such compensation may include employees of subordinate companies who meet the conditions set by the board of directors. The remuneration to directors can be paid only in cash.

The earnings distribution stated in the preceding paragraph shall be implemented according to the resolution of the board of directors and the presentation in the shareholders' meeting.

Article 17-1.

The Company shall apply the earnings, if any, to pay income tax and make up for the losses of previous years, then appropriate 10% of the balance amount as legal reserve thereafter. In addition, a certain amount of special reserve shall be retained or reversed in accordance with the regulations of the competent authority. Then, for the remaining amount thereafter plus the unappropriated earnings of previous years, after having a certain amount reserved, it is to be distributed according to the distribution plan proposed by the board of directors after being resolved by the shareholders' meeting.

Chapter VII Supplementary Provisions

Article 18.

The Company is currently engaging in a growing industry; therefore, the Company will develop and expand along with business development in the future. The earnings distribution will be handled in accordance with the Articles of Incorporation. However, for the distribution of dividends to shareholders in the current year, the maximum proportion of stock dividends shall not exceed 50% of the total dividends distributed; that is, the remaining dividends must be in the form of cash dividends.

Article 19.

The board of directors is authorized to handle the Company's investment that may exceed 40% of the paid-in capital.

Article 20.

The Company may grant guarantees externally due to business needs.

Article 21.

The matters not fully addressed in the Articles of Incorporation shall be handled in accordance with the Company Act.

Article 22.

The Articles of Incorporation was formulated on October 2, 1973. The 1st amendment was made on January 31, 1975. The 2nd amendment was made on July 1, 1977. The 3rd amendment was made on August 6, 1979. The 4th amendment was made on June 22, 1984. The 5th amendment was made on December 28, 1985. The 6th amendment was made on October 30, 1987. The 7th amendment was made on March 26, 1989. The 8th amendment was made on May 31, 1992. The 9th amendment was made on June 27, 1993. The 10th amendment was made on July 25, 1994. The 11th amendment was made on June 21, 1995. The 12th amendment was made on August 1, 1995. The 13th amendment was made on May 22, 1996. The 14th amendment was made on April 30, 1997. The 15th amendment was made on May 21, 1999. The 16th amendment was made on April 29, 2000. The 17th amendment was made on April 29, 2000. The 18th amendment was made on April 19, 2001. The 19th amendment was made on April 19, 2001. The 20th amendment was made on May 30, 2002. The 21st amendment was made on June 15, 2004. The 22nd amendment was made on June 14, 2005. The 23rd amendment was made on June 15, 2007. The 24th amendment was made on June 25, 2008. The 25th amendment was made on June 16, 2009. The 26th amendment was made on June 14, 2010. The 27th amendment was made on June 22, 2012. The 28th amendment was made on June 16, 2016. The 29th amendment was made on June 13, 2019. The 30th amendment was made on June 15, 2020. The 31th amendment was made on June 10, 2022.

G-SHANK ENTERPRISE CO., LTD. Chairman: LIN, YU-HUANG

G-SHANK ENTERPRISE CO., LTD.

Rules and Procedures for Shareholders' Meetings

Article 1.

The Company's shareholders' meetings are to be processed in accordance with the "Rules of Procedure for Shareholders' Meetings."

Article 2.

The Company furnishes the attending shareholders with an attendance book to sign, or attending shareholders (or the representatives) may hand in a sign-in card in lieu of signing in.

The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the number of shares whose voting rights are exercised by electronic means.

Article 3.

Attendance at shareholders' meetings and voting shall be calculated based on numbers of shares.

Article 4.

The venue for a shareholders' meeting shall be the premises of this Corporation, 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.

Article 5.

If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairman shall act in place of the chairman. 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. 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 6.

The Company may appoint its attorneys, certified public accountants, or related persons retained by the Company to attend the shareholders' meeting in a non-voting capacity. Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

Article 7.

The Company shall make an uninterrupted audio and video recording the entire proceedings of the shareholders' meeting, and the recorded materials of the preceding paragraph shall be retained for at least one year.

Article 8.

The Chairman shall call the meeting to order at the scheduled meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the Chairman may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 9.

If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

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

The Chairman 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 Chairman 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 Chairman in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

After the meeting is adjourned by resolution, shareholders shall not elect another Chairman to continue the meeting at the original venues or at another venue.

Article 10.

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

A shareholder (or a representative) 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.

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.

Article 11.

Except with the consent of the Chairman, 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 aforementioned rules or exceeds the scope of the agenda item, the Chairman may terminate the speech.

Article 12.

The juristic person attending the shareholders' meeting by proxy can only assign one representative to attend the meeting.

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

Article 13.

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

Article 14.

The Chairman 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 Chairman is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the Chairman may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 15.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the Chairman, 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.

Article 16.

When a meeting is in progress, the Chairman may announce a break based on time considerations.

Article 17.

Except as otherwise provided in the Company Act and in the Company's 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.

Article 18.

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.

Article 19.

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 or armband bearing the word "Proctor."

Article 20.

Matters not stipulated in the "Rules" shall be handled in accordance with the provisions of the Company Act and relevant laws and regulations.

Article 21.

The "Rules" shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall take effect in the same manner.

G-SHANK ENTERPRISE CO., LTD.

Method of Election of Directors

Article 1.

The election of directors of this company shall be held at the shareholders' meeting.

Article 2.

The election of directors of this company shall adopt the system of candidate nomination, and the elected candidates shall be selected from the list of candidates by the shareholders' meeting.

Article 3.

The number of directors to be elected by this company shall be determined in accordance with the company's articles of association and the resolution of the board of directors.

Article 4.

The election of directors of this company shall adopt the system of cumulative voting by shareholders. Each shareholder shall have the same number of voting rights as the number of directors to be elected. They may choose to elect one person or distribute the votes to elect multiple people.

Article 5.

The number of independent directors and non-independent directors to be elected by this company, as stipulated in the company's articles of association, shall be counted separately. The elected candidate with the most votes shall be elected. If two or more candidates obtain the same number of votes and exceed the prescribed quota, a drawing lots shall be conducted to determine the winner. If the candidates with the same number of votes are absent, the chairman shall draw lots on their behalf.

Article 6.

The board of directors shall prepare election ballots equal to the number of directors to be elected, and fill in the number of voting rights. They shall be distributed to shareholders attending the shareholders' meeting, and the voter's name may be represented by the attendance number printed on the ballot.

Article 7.

Before the election, the chairman shall designate several shareholders to serve as inspectors and vote counters to execute the related duties.

Article 8.

The ballot box prepared by the board of directors shall be inspected by the inspector in public before the vote is cast.

Article 9.

To cast their vote, shareholders shall fill in the name or title of the candidate they are voting for in the "candidate" column of the ballot. However, if the government or corporate shareholder is the candidate, the "title" column of the ballot shall indicate the name of the government or corporation, and the name of its representative may also be included if there are multiple representatives.

Article 10.

The following situations shall render the ballot invalid:

- (1) Ballots that are not prepared by the person with the right to call the meeting.
- (2) Blank ballots that are not written on.
- (3) Ballots with unclear handwriting or alterations.
- (4) Ballots with a candidate's name or title that does not match the list of candidates.
- (5) Ballots with additional text other than the name or title of the candidate.
- (6) Ballots that list two or more candidates.

Article 11.

If the total number of allocated voting rights is less than the number of voting rights held by shareholders, then the reduced number of votes shall be considered as abstention.

Article 12.

After voting is concluded, the ballot shall be opened and counted in public, and the result shall be announced by the chairman in public.

Article 13.

For matters not covered in these regulations, relevant laws and regulations shall apply.

Article 14.

These regulations shall be implemented after being passed by the shareholders' meeting, and shall apply when revised.

(First revision on August 28, 1996)
(Second revision on April 19, 2001)
(Third revision on May 30, 2002)
(Fourth revision on June 5, 2020)
(Fifth revision on July 16, 2021)

G-SHANK ENTERPRISE CO., LTD.

Shareholdings of Directors

1. The minimum number of shares to be held by all directors and the number of shares recorded in the shareholder register

Title	Shares to be held	Shares recorded in the shareholders register
Directors	12,000,000	18,296,337

2. Shareholdings of directors

April 15, 2025

Title	Name	Shares recorded in the shareholders register	Remarks
Chairman	LIN, YU-HUANG	8,612,089	
Director	LIN, SHEAN-KUO	3,793,106	
Director	TSENG, CHAI-JUNG	2,362,703	
Director	LIN, YING-ZHI	3,528,439	
Independent Director	MA, SHU-CHIN	31,768	
Independent Director	LIAO, YA-LING	118,490	
Independent Director	CHEN, HUNG-YI	0	
Independent Director	LIU SSU-MIN	1,000	