

## **Dyaco International Inc.**

### **2025 Annual General Shareholders' Meeting Minutes**

( Translation )

Time and Date of Meeting : 9:00 a.m. on May 28, 2025

Place of Meeting : No.1, Gong 1st Rd., Hemei Township, Changhua County

Total outstanding shares of VIS (after deduct the shares as defined in Article 179 of Company Law) : 95,974,105 shares; Total shares represented by shareholders present : 174,316,092 shares; Percentage of shares held by shareholders present : 55.05%

Attendee :

Mr. Yu-Yin ,Lin (The Chairman of the Board of Directors)

Mr. Chih-Cheng, Wang (Independent Director)

Mr. Kai-Li, Wang (Independent Director)

Mr. Jiin-Po, Wu (Independent Director)

Others : Mrs. YI-Yun, Tsou of KPMG

Chairman : Mr. Yu-Yin, Lin

Recorder : Mr. Iuan-Sheng, Chiou

The necessary quorum of members was present in person or by proxy and the Chairman declared the meeting duly constituted and the Company may proceed to business.

#### **I. Chairman's Address (omitted)**

#### **II. Report Items**

1. To report the business of 2024. ( See Attachment A )
2. To report the Audit Committee's Review Report of 2024. ( See Attachment B )
3. To report 2024 employees' profits sharing bonus and directors' compensation
4. To report 2024 remuneration paid to individual directors (including the correlation among the remuneration payment policy, standards and combination, and management performance).  
( See Attachment C )
5. To report the proposal for cash distribution of 2024 earnings.
6. To report the implementation of share repurchase. ( See Attachment D )

7. To report on the result of the implementation of the plan to conduct a follow-on offering to better business operations.
8. To report the implementation of the Company's release of domestic of convertible corporate bonds.

### III. Acknowledgement Items

#### Ratifications matter 1 (Proposed by the Board of Directors)

Subject : To accept 2024 Business Report and Financial Statements.

- Description :
1. The above consolidated financial statements including balance sheet, income statement, statement of changes in shareholders' equity, cash flow statement and business report were approved by resolution of the Board of Directors and submitted for the Audit Committee's review. The financial statements were audited by independent auditors Mr. Chen, Chung-Che and Ms. Tsou, Yi-Yun of KPMG Taiwan.
  2. 2024 Business Report is hereto attached as Attachment A.
  3. Standalone and Consolidated Independent Certified Public Accountant Report for the year of 2024 is hereto attached as Attachment G.
  4. Standalone and Consolidated Financial Statement for the year of 2024 is hereto attached as Attachment H.
  5. Please accept the aforementioned.

Resolution:

Voting Results: 95,730,075 shares were represented at the time of voting

| Voting Results  | % of the total represented shares present |
|---|---|
| Votes in favor: 89,640,065 Votes<br>(Including votes casted electronically: 16,534,597 Votes) | 93.63%                                    |
| Votes against: 192,706 Votes<br>(Including votes casted electronically: 192,706 Votes)        | 0.20%                                     |
| Votes invalid: 0 votes<br>(Including votes casted electronically: 0 Votes)                    | 0.00%                                     |
| Votes abstained: 5,897,304 votes<br>(Including votes casted electronically: 5,797,136 Votes)  | 6.16%                                     |

Resolved: The above proposals be and hereby were approved as proposed.

Ratifications matter 2 (Proposed by the Board of Directors)

Subject : Ratification of the proposal for distribution of 2024 earnings .

Description : 1. The distribution table for 2024 can be found at Attachment I.

1. The Company's 2024 audited after-tax profit amounted to NT\$71,951,693. After adjusting for retained earnings, deducting legalreserve and special reserve, and adding unappropriated retained earnings from previous year NT\$100,963,488, a total of NT\$ 265,947,046 is available for distribution and the proposed cash distribution is NT\$87,158,046.
2. It was approved at the meeting of Board of Directors on March 12, 2025.
3. Please accept the aforementioned.

Resolution : Voting Results: 95,730,075 shares were represented at the time of voting

| Voting Results  | % of the total represented shares present |
|---|---|
| Votes in favor: 89,643,301 Votes<br>(Including votes casted electronically: 16,537,833 Votes) | 93.64%                                    |
| Votes against: 208,805 Votes<br>(Including votes casted electronically: 208,805 Votes)        | 0.21%                                     |
| Votes invalid: 0 votes<br>(Including votes casted electronically: 0 Votes)                    | 0.00%                                     |
| Votes abstained: 5,877,969 votes<br>(Including votes casted electronically: 5,777,801 Votes)  | 6.14%                                     |

Resolved: The above proposals be and hereby were approved as proposed.

**IV. Discussion matters**

Election matter 1 (Proposed by the Board of Directors)

Subject : Amendment to the "Articles of Incorporation".

- Description :
1. In order to operating, it is proposed to amend certain provisions of the Procedures for Articles of Incorporation.
  2. Comparison of Current and amended Procedures for Articles off Incorporation can be found at Attachment J.
  3. Please Vote.

Resolution : Voting Results: 95,730,075 shares were represented at the time of voting

| Voting Results                   | % of the total represented shares present |
|----------------------------------|---|
| Votes in favor: 89,590,512 Votes | 93.58%                                    |

|   |       |
|---|-------|
| (Including votes casted electronically:16,485,044 Votes)                                    |       |
| Votes against: 204,594 Votes<br>(Including votes casted electronically: 204,594 Votes)      | 0.21% |
| Votes invalid: 0 votes<br>(Including votes casted electronically:0 Votes)                   | 0.00% |
| Votes abstained: 5,934,969 votes<br>(Including votes casted electronically:5,834,801 Votes) | 6.19% |

Resolved: The above proposals be and hereby were approved as proposed.

**V. Motions:** None.

**VI. Adjournment** ( at 9:25 a.m., May 28, 2025)

(Note : The content of the speech recorded in the Annual General Meeting minutes is a summary. The actual situation of the speech is subject to the on-site video and audio recording.)

There were no questions from shareholders at this Annual General Meeting.

## **Dyaco International Inc.**

### **2024 Business Report**

Dear shareholders:

First of all, thank you for your long-term support and love for Dyaco International Inc.

In 2024, factors such as high interest rates, elevated inflation, and weaker-than-expected post-pandemic economic performance in China contributed to a global slowdown in demand for end products. This slowdown was further exacerbated by a deceleration in manufacturing activities across various countries. Additionally, the expansion of the US-China chip embargo, the Russia-Ukraine conflict, and the ongoing tensions in the Middle East have contributed to geopolitical tensions characterized by bloc confrontations, further impacting global economic development and social stability. Looking ahead to 2025, both the United States and China, the two major economies, continue to face challenges in consumption and investment. While other major economies, such as Europe, are expected to recover, the economic performance of emerging markets and developing economies surpasses that of 2024. However, the weak economic situation of the United States and China is unlikely to maintain, and therefore, international forecasting institutions believe that while global economic growth in 2025 will be slightly lower than 2024, but nevertheless, there is still an expectation of a revival in global commodity trade. This will help stabilize Taiwan's foreign trade performance.

Dyaco Group must comprehensively transform and enhance its competitiveness, including accelerating product development, responsiveness to market changes, responding to user needs, promoting employee innovation, and improving operational efficiency, which are our urgent goals. Here is a report on the 2024 business results, the 2025 business plan, and future development strategies:

#### **I. 2024 Business Report**

##### **(I) Business Plan Implementation Results**

The global fitness equipment sales market has been suppressed due to the global economic downturn, industry inventory adjustments, and continuous price increases that have made consumers more cautious in their spending behavior. Despite these challenges, Dyaco remains committed to business growth. In the 2024 fiscal year, overall operating revenue decreased by 7% compared to the same period last year. However, due to rising expenses and market competition, the expense ratio did not decrease, resulting in a net profit of NT\$70 million after tax, with a profit per share of NT\$0.45.

##### **(II) Budget Implementation Status**

The Company did not disclose financial forecasts for 2024, the overall operating

performance was affected by the economic environment and market competition, and did not meet the Company's internally formulated business plans.

### (III) Financial Income and Profit Analysis

Unit : NT1, 000

| Item             |   | Year        |             |
|------------------|---|-------------|-------------|
|                  |   | 2024        | 2023        |
| Financial income | Operating Revenue                               | 7, 217, 077 | 7, 786, 471 |
|                  | Gross Profit                                    | 2, 577, 251 | 2, 667, 085 |
|                  | Operating Income (Loss)                         | 29, 874     | -98, 423    |
|                  | Non-operating Income and Expenses               | 48, 963     | -71, 008    |
|                  | Income (Loss) Before Tax                        | 78, 837     | -169, 431   |
|                  | Net Income (Loss)                               | 69, 883     | -110, 372   |
|                  | Net Income Attributable to Owners of the Parent | 71, 952     | -122, 770   |
| Profit Analysis  | Return on Assets (ROA) (%)                      | 1. 32       | -0. 28      |
|                  | Return on Equity (ROE) (%)                      | 1. 32       | -2. 50      |
|                  | Pre-tax Income to Paid-in Capital Ratio (%)     | 4. 72       | -6. 04      |
|                  | Net Profit Margin (%)                           | 0. 97       | -1. 42      |
|                  | Earnings Per Share (EPS) (NTD)                  | 0. 45       | -0. 88      |

### (IV) Research and Development Status

The Company's technology is mainly based on the integration of our Research & Development team, domestic upstream manufacturers, market demand, and research institutions. Through marketing personnel for closer access to the market and customers, we can better understand the development trends of products and the application of new technologies, and carry out product and technology development. When necessary, we will hire relevant consultants for advice, cooperate with schools and research institutions for technology development, making the overall product development efficiency and effectiveness faster and more efficient than competitors.

List of R&D achievements in 2024:

#### 1. SPIRIT SBC900 INDOOR CYCLE

2. SPIRIT SBC800 INDOOR CYCLE
3. Dyaco 8.5UE MED Medical Rehabilitation UBE Upper Body Ergomete
4. Dyaco 5.5UE PT Rehabilitation UBE Upper Body Ergometer
5. HAMMER Light-commerical Elliptical
6. HAMMER Light-commerical Exercise Bike
7. HAMMER Light-commerical Indoor Cycle
8. SPIRIT XBU75 UPRIGHT BIKE

## **II. Summary of 2024 Business Plan**

### **(I) Management Policy**

1. Adhering to the core values of "Brand, Service, and Innovation" for the Company management, developing products and creating value based on people's needs, focusing on providing consumers with simple, comfortable, and safe products, and continuously improving people's health, sports, and leisure life quality.
2. What we offer to our customers is not just a product, but also includes brand beliefs, product creativity, and after-sales experience, thereby enhancing relationships with partners; with this framework, we will continue to expand our own brands SOLE, SPIRIT, and XTERRA, as well as the authorized brand UFC's international market share.
3. Diversifying and expanding new products and brands, developing a new electric-assisted bicycle brand CIKADA, adding UFC mixed martial arts brand weight training, combat fighting, and related training equipment, focusing on the medical technology field's needs for physical treatment and elderly rehabilitation equipment, and cooperating with the American smart fitness content producer STUDIO, combining STUDIO's online fitness courses with Dyaco's fitness equipment, etc.
4. Making the right decisions on key issues and not living in past successes, Dyaco will continue to commit to innovation in R&D technology, collaborate with academia, and extend the Company's R&D advantages by entering the medical rehabilitation equipment field. This way, the Company's products can benefit not only the general public but also people with mobility issues or elderly family members, allowing everyone to enjoy the fun of sports and better care for those in need of help. After all, having a healthy body leads to a better quality of life.

## (II) Marketing Policy

1. Establish e-commerce marketing tools to increase market share beyond physical channels.
2. Strengthen third-party sales platform materials and search engine resources to increase brand exposure in local markets.
3. Continuously develop brand agents in various countries while establishing brand communication platforms.
4. Integrate the official company website and fan pages to improve the Company's image in Taiwan and enhance the exposure of domestic products.
5. Enhance the function of the Company's website and deepen the impression with product press releases.
6. Standardize the design of global physical channel marketing materials.

## (III) Research and Development Policy

1. Actively develop new models for each brand series, offering diverse choices for consumers.
2. Provide cost-effective, practical, and aesthetically pleasing products under certain quality standards, and further introduce intelligent cloud platforms.
3. Strengthen collaboration with academia and continue to enter the medical rehabilitation equipment field, developing products suitable for the elderly and those with mobility impairments.
4. Develop new intelligent light commercial and commercial equipment series.
5. Combine IoT and wearable devices with sports equipment control, developing products with richer entertainment connections (APP software and 3C product control).

## (IV) Production Policy

1. Moderately expand production capacity and improve production efficiency to ensure timely delivery, quality improvement, and cost reduction.
2. Integrate the industrial supply chain, enhance management efficiency and quality reliability, establish information sharing mechanisms, quickly respond to end-market demand, and reduce inventory costs while increasing added value.
3. Automated warehousing system introduced to optimize and speed up the picking process.

### **III. Future Company Development Strategy**

#### **(I) Consistently Innovating Product Technology**

In addition to fitness equipment, Dyaco will continue to care for people. Apart from taking care of the general public's sports and leisure quality, it also wants to take care of the elderly and those with limited mobility, allowing them to enjoy the fun of sports. Therefore, the Company will continue to strengthen cooperation with the academic community to develop fitness and rehabilitation equipment that meets the needs of all levels, and innovate in research and development technology, enhancing the interaction mode between athletes and machines, allowing everyone to enjoy exercising and feel safe doing it, thereby providing people with a different understanding and definition of sports.

#### **(II) Developing Health and Rehabilitation Products**

Influenced by the trend of exercise and health as well as the arrival of an aging society, the health and care industry has moved away from the traditional service industry atmosphere. Increasingly, more cases of IoT (Internet of Things) technology, AI artificial intelligence, and sensor technology applications have emerged, contributing to the thriving development of the health and care industry. Dyaco is committed to the long-term development of safe rehabilitation equipment, combining research and innovation capabilities, production technology and scale, and marketing channel strength to provide the best medical rehabilitation equipment worldwide, while also exploring new business opportunities beyond traditional sports and fitness equipment. This year, the Company has officially launched a series of rehabilitation equipment products and is actively promoting sales in various markets.

#### **(III) Developing The Brand**

Adhering to the core values of "Brand, Service, and Innovation" for the Company management, we provide not only products but also brand beliefs, product creativity, and after-sales service experiences to our customers, enhancing relationships with partners. We continue to develop brand agents in various countries while establishing brand communication platforms to expand the market share of our own brands SOLE, SPIRIT, XTERRA, and licensed brand UFC, as well as develop the new electric-assisted bicycle brand CIKADA.

(IV) Sticking to Principles and Beliefs

1. Our commitment to product quality and customer promises remains unchanged.
2. Our pursuit of excellence and change in research, development, and design remains unchanged.
3. Our principle of integrating the supply chain to benefit both customers and suppliers remains unchanged.
4. Our belief in promoting the brand, deepening local channels, and benefiting more people remains unchanged.
5. Our principle of cultivating international talents and localized management teams remains unchanged.

**IV. Affected by External Competitive, Regulatory and Overall Operating Environment.**

Looking ahead to 2025, there are still many geopolitical and economic uncertainties affecting global economic performance. Companies continue to face a challenging overall operating environment, testing their resilience. However, we remain committed to the future development of the Company. Particularly, the sales explosion in 2020 not only helped strengthen our brand market share and visibility, but also improved our capabilities in marketing, logistics, and customer service, creating greater competitiveness. Additionally, through upstream and downstream integration, we aim to leverage synergies in corporate resources and capture more market opportunities.

Overall, in the face of rapidly changing markets and rising production costs, the challenges faced by businesses are becoming increasingly severe. We believe that by adhering to the Company's core management philosophy of sustainable operation, continuously following the Company's planned steps to steadily layout local markets, establishing an innovative growth-oriented corporate culture, fulfilling corporate social responsibility, and taking care of more people in need, we can maintain our competitive advantage and accumulate more strengths, allowing shareholders, customers, and employees to share in the fruitful business results.

Sincerely yours,

Chairman: Lin, Ing-Gin

General Manager: Chen, Ming-Nan

Chief Accountant Officer: Chiu, Yuan-Shen

**Dyaco International Inc.**  
**Audit Committee's Review Report**

(This English version is only a translation of the Chinese version)

The Board of Directors has prepared and submitted the 2024 consolidated financial statements (including standalone financial statements), business report, and earnings distribution proposal. Independent auditors Mr. Chen, Chung-Che and Ms. Tsou, Yi-Yun of KPMG Taiwan audited the consolidated financial statements (including standalone financial statements) and has issued an audit report. These have been reviewed and determined to be correct and accurate by the Audit Committee. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

**Dyaco International Inc.**

Audit Committee convener: Wang, Chih-Cheng

March 28, 2025

Dyaco International Inc.

Remuneration to Individual Directors for 2024

Unit: NT\$1,000; 1,000 Shares; %

| Title                | Name   | Remuneration          |                                |                                |                                |                                      |                                |                                  |                                | The Aggregate of A, B, C, and D as Percentage of Net Income |                                | Relevant Remuneration Received by Who are also Employees |                                |                                |                                |                             |       |                                |       | The Aggregate of A, B, C, D, E, F and G as Percentage of Net Income |                                | Any Other Compensations from Other Investees or Parent Comany |
|----------------------|--|-----------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------------|--------------------------------|----------------------------------|--------------------------------|---|--------------------------------|--|--------------------------------|--------------------------------|--------------------------------|-----------------------------|-------|--------------------------------|-------|---|--------------------------------|---|
|                      |  | Base Compensation (A) |                                | Severance Pay and Pensions (B) |                                | Directors' Compensation (C) (Note 1) |                                | Business-conducting Expenses (D) |                                |   |                                | Salaries, Bonuses and Special Allowances (E)             |                                | Severance Pay and Pensions (F) |                                | Employees' Compensation (G) |       |                                |       |   |                                |   |
|                      |  | From Dyaco            | From All Consolidated Entities | From Dyaco                     | From All Consolidated Entities | From Dyaco                           | From All Consolidated Entities | From Dyaco                       | From All Consolidated Entities | From Dyaco  | From All Consolidated Entities | From Dyaco   | From All Consolidated Entities | From Dyaco                     | From All Consolidated Entities | From Dyaco                  |       | From All Consolidated Entities |       | From Dyaco  | From All Consolidated Entities |   |
|                      |  |                       |                                |                                |                                |                                      |                                |                                  |                                |   |                                |  |                                |                                |                                | Cash                        | Stock | Cash                           | Stock |   |                                |   |
| Chairman             | CHUAN-FENG INVESTMENT CORPORATION<br>Representative: Lin, Yu-Yin(    | 3,583                 | 3,583                          | -                              | -                              | -                                    | -                              | 90                               | 90                             | 5.26  | 5.26                           | -  | -                              | -                              | -                              | -                           | -     | -                              | -     | 5.26  | 5.26                           | -   |
| Director             | Zhuang, Zhu-Wei  | -                     | -                              | -                              | -                              | -                                    | -                              | 90                               | 90                             | 75  | 75                             | -  | -                              | -                              | -                              | -                           | -     | -                              | -     | 75  | 75                             | -   |
| Director             | Yong-Heng Investment Corporation.<br>Representative: Chiu Shih-Chien | -                     | -                              | -                              | -                              | -                                    | -                              | 45                               | 45                             | 0.11  | 0.11                           | -  | -                              | -                              | -                              | -                           | -     | -                              | -     | 0.11  | 0.11                           | -   |
| Independent Director | Wang, Kai-Li   | 600                   | 600                            | -                              | -                              | -                                    | -                              | 90                               | 90                             | 0.99  | 0.99                           | -  | -                              | -                              | -                              | -                           | -     | -                              | -     | 0.99  | 0.99                           | -   |
| Independent Director | Wang, Chih-Cheng   | 600                   | 600                            | -                              | -                              | -                                    | -                              | 90                               | 90                             | 0.99  | 0.99                           | -  | -                              | -                              | -                              | -                           | -     | -                              | -     | 0.99  | 0.99                           | -   |
| Independent Director | Wu, Jiin-Po  | 600                   | 600                            | -                              | -                              | -                                    | -                              | 90                               | 90                             | 0.99  | 0.99                           | -  | -                              | -                              | -                              | -                           | -     | -                              | -     | 0.99  | 0.99                           | -   |
| Independent Director | Tu, Chi-Yao  | 600                   | 600                            | -                              | -                              | -                                    | -                              | 90                               | 90                             | 0.99  | 0.99                           | -  | -                              | -                              | -                              | -                           | -     | -                              | -     | 0.99  | 0.99                           | -   |

Note 1: Please describe the policies, systems, standards, and structure of independent directors' remuneration, and explain the relevance with the amount of remuneration based on their responsibilities, risks, and time investment:

- Pursuant to Article 24 of the Company's Articles of Incorporation, the remuneration of the directors of the Company shall be distributed at a rate not exceeding 5% of the profitability of the current year. The procedures for determining remuneration shall be subject to the regulations on the Company's Board of Directors' self-evaluation or peer review. Article 21 of the Company's Articles of Incorporation states that the compensation of directors shall be determined by the Remuneration Committee regarding the extent of their participation in and contribution to the operations, with the reasonable fairness of performance risks linked to the compensation received, and the Board of Directors authorized to make payments in accordance with the Remuneration Committee's assessment and the usual standards of the industry.

**【Attachment C】**

2. The Company's Articles of Incorporation also stipulate that director remuneration shall not exceed 5% of annual profits. Therefore, the Company adheres to the provisions of the Remuneration Committee Charter and is reviewed by the Committee. The principles of remuneration distribution are as follows:

(1) Taking into account the operating performance of the current year, with priority given to the interests of shareholders and employees;

(2) Independent directors serving on functional committees bear responsibilities for participating in committee meetings and decisions, hence their remuneration is higher than that of general directors. The Company has resolved at the Board of Directors meeting not to distribute directors' remuneration for the year 2024

Note 2 : Except for the disclosure above, remuneration paid to the Company' s directors for their services to all the companies listed in the financial statements (e.g., serving as a non-employee adviser): None.

## Dyaco International Inc.

## Implementation Status Report of the Company's Treasury Share

| Treasury stocks in batches    |  | 2 <sup>nd</sup> Batch                     | 3 <sup>rd</sup> Batch  |
|-------------------------------|--|---|--|
| Scheduled buyback plan        | Date of Board resolution   | February 21, 2020                         | March 20, 2020   |
|                               | Purpose of stock buyback   | Transfer ownership of shares to employees | Transfer ownership of shares to employees  |
|                               | Scheduled buyback period   | 2020/02/24~2020/04/23                     | 2020/03/23~2020/05/19  |
|                               | Scheduled buyback shares   | 3,000,000 shares                          | 4,500,000 shares   |
|                               | Price range  | NT\$30~NT\$50                             | NT\$25~NT\$45  |
|                               | Scheduled buyback shares (as a percentage of issued shares) (Note 1) | 2.61%                                     | 3.91%  |
|                               | Maximum amount of buyback shares                                     | NT\$1,002,912,315                         | NT\$1,002,912,315  |
| Execution of the buyback plan | Actual buyback period  | 2020/02/27~2020/03/20                     | 2020/03/23~2020/04/08  |
|                               | Actual buyback shares (as a percentage of issued shares) (Note 2)    | 2.61%                                     | 1.36%  |
|                               | Actual amount of buyback shares                                      | NT\$104,927,035                           | NT\$50,663,964   |
|                               | Average price per share  | NT\$34.98                                 | NT\$32.37  |
|                               | Reasons for incompleteness   | Completed                                 | To protect the interests of shareholders and balance market mechanism, the Company adopts batch buying strategies depending on stock price changes. Therefore, the buyback is not completed. |
| Status                        | Not Nullified  | Not Nullified                             |  |

**【Attachment D】**

| Treasury stocks in batches    |  | 4 <sup>th</sup> Batch  | 5 <sup>th</sup> Batch  |
|-------------------------------|--|--|--|
| Scheduled buyback plan        | Date of Board resolution   | September 29, 2021   | May 11, 2022   |
|                               | Purpose of stock buyback   | Transfer ownership of shares to employees  | Transfer ownership of shares to employees  |
|                               | Scheduled buyback period   | 2021/09/30~2021/11/29  | 2022/05/12~2022/07/11  |
|                               | Scheduled buyback shares   | 4,000,000 shares   | 3,000,000 shares   |
|                               | Price range  | NT\$45~NT\$90  | NT\$40~NT\$65  |
|                               | Scheduled buyback shares (as a percentage of issued shares) (Note 1) | 2.99%  | 2.24%  |
|                               | Maximum amount of buyback shares                                     | NT\$2,937,819,581  | NT\$2,937,819,581  |
| Execution of the buyback plan | Actual buyback period  | 2021/09/30~2021/11/29  | 2022/05/12~2022/07/11  |
|                               | Actual buyback shares (as a percentage of issued shares) (Note 2)    | 1.86%  | 1.74%  |
|                               | Actual amount of buyback shares                                      | NT\$156,988,000  | NT\$96,415,064   |
|                               | Average price per share  | NT\$63.10  | NT\$41.24  |
|                               | Reasons for incompleteness   | To protect the interests of shareholders and balance market mechanism, the Company adopts batch buying strategies depending on stock price changes. Therefore, the buyback is not completed. | To protect the interests of shareholders and balance market mechanism, the Company adopts batch buying strategies depending on stock price changes. Therefore, the buyback is not completed. |
| Status                        | Not Nullified  | Not Nullified  |  |

Note 1: Calculated based upon the total issued shares of the Company at the time the buyback was reported.

Note 2: Calculated based upon the total issued shares of the Company after expiration of period or completion of execution.

**Implementation status of the sound operational plan**Implementation Status of the Operational Improvement Plan in Q4 2024

Pursuant to the letter No. 1130367745 and No. 11303677451 issued by the Financial Supervisory Commission on January 20, 2025, We shall report the implementation status of the Operational Improvement Plan to the Board of Directors on a quarterly basis for oversight, and present such report at the Shareholders' Meeting. Furthermore, the implementation status shall be specifically evaluated in future cases involving the raising and issuance of securities.

| Item \ Quarter                    | First Three Quarters (Actual) | Fourth Quarter (Forecast) | Full Year (Forecast) | Fourth Quarter (Actual) | Full Year (Actual) |
|-----------------------------------|-------------------------------|---------------------------|----------------------|-------------------------|--------------------|
| Operating Revenue                 | 4,849,691                     | <b>2,259,770</b>          | 7,109,462            | <b>2,367,386</b>        | 7,217,077          |
| Operating Costs                   | -3,210,161                    | <b>-1,475,689</b>         | -4,685,849           | <b>-1,429,665</b>       | -4,639,826         |
| Gross Profit                      | 1,639,532                     | <b>784,081</b>            | 2,423,613            | <b>937,719</b>          | 2,577,251          |
| Gross Profit Margin               | 33.81%                        | <b>34.70%</b>             | 34.09%               | <b>39.61%</b>           | 35.71%             |
| Operating Expenses                | -1,840,396                    | <b>-660,639</b>           | -2,501,035           | <b>-706,981</b>         | -2,547,377         |
| Operating Income (Loss)           | -200,864                      | <b>123,442</b>            | -77,422              | <b>230,738</b>          | 29,874             |
| Operating Profit Margin           | -4.14%                        | <b>5.46%</b>              | -1.09%               | <b>9.75%</b>            | 0.41%              |
| Non-operating Income and Expenses | -46,439                       | <b>-18,706</b>            | -65,145              | <b>95,402</b>           | 48,963             |
| Income (Loss) Before Tax          | -247,303                      | <b>104,736</b>            | -142,567             | <b>326,140</b>          | 78,837             |
| Net Profit Margin                 | -5.10%                        | <b>4.63%</b>              | -2.01%               | <b>13.78%</b>           | 1.09%              |

Revenue for the fourth quarter slightly exceeded the forecast. Gross profit margin improved due to a higher proportion of B2C revenue. Related selling

expenses also increased slightly; however, operating income outperformed expectations, reaching NT\$231 million. In addition, unforecasted foreign exchange gains contributed further, resulting in a significant increase in pre-tax profit for the fourth quarter to NT\$326 million. The implementation of the operational improvement plan has been effective, and the Company successfully turned profitable for the full year of 2024 °

**Dyaco International Inc.****The implementation of the Company's release of domestic of convertible corporate bonds**

|  |  |
|--|--|
| <b>Type of Corporate Bond</b>                    | <b>4<sup>th</sup> Domestic Unsecured Convertible Corporate Bonds</b>                   |
| Authorization Article No, By competent authority | Financial Supervisory Commission Order Jin-Kuan-Zhen-Fa 11303677451 on January 20,2025 |
| Issue Date                                       | 2025.3.3   |
| Total Amount                                     | NT\$200,000,000  |
| Par Value  | NT\$100,000  |
| Issue Price                                      | Issued at face value   |
| Interest Rate                                    | 0%   |
| Duration   | 3 years<br>2025/3/3~2028/3/3   |
| Assignee   | Cathay United Bank   |
| Underwriting Institution                         | President Securities Corporation   |
| Bond Put-back conditions                         | Please refer to Article 18 of the terms of issuance and conversion.                    |
| Bond Call-Back conditions                        | Please refer to Article 17 of the terms of issuance and conversion.                    |
| Outstanding Amount at 3/31, 2025                 | NT\$200,000,000  |

## Independent Auditors' Report

To the Board of Directors of Dyaco International Inc.

### Opinion

We have audited the accompanying consolidated financial statements of Dyaco International Inc. (the "Corporation") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The descriptions for the key audit matters of the consolidated financial statements are as follows:

#### Impairment of Goodwill

Accounting policies related to goodwill are detailed in Notes IV(XIII) and (XIV) to the consolidated financial statements. Significant accounting estimates and judgments related to goodwill can be found in Note V(II), and the assessment of goodwill impairment is disclosed in Note VI(XIV) to the consolidated financial statements.

#### Description of Key Audit Matter:

Goodwill arose from business combinations undertaken by the Dyaco Group. As of December 31, 2024, the carrying amount of goodwill was \$588,898 thousand. In accordance with International

Accounting Standard 36, Impairment of Assets, goodwill acquired in a business combination must be tested for impairment at least annually. Due to the materiality of the goodwill balance and the significant management judgment involved in the impairment assessment, the evaluation of goodwill impairment was considered a key audit matter in our audit of the consolidated financial statements of Dyaco Group.

Our primary audit procedures performed included the following:

1. Evaluated the professional competence, qualifications, and objectivity of the external valuation specialists engaged by management, and verified their credentials to ensure their independence and objectivity or limit the scope of their work.
2. Engaged our internal valuation specialists to assist in reviewing the report issued by the external valuation specialists, including assessing the appropriateness of the valuation methodology, models used, and the reasonableness of the assumptions regarding the weighted average cost of capital (WACC).
3. Obtained an understanding of key assumptions used by management, including historical revenue, revenue growth rate, gross margin, operational performance, and comparisons of historical budgets to actual results, to assess the accuracy of prior forecasts and the reliability of management's projections for future periods, in order to evaluate the reasonableness of the underlying assumptions.
4. Based on the above understanding, evaluation, and recalculations, we assessed whether any indicators of impairment existed in relation to the goodwill arising from the business combination.

### **Other matters**

The consolidated financial statements of Dyaco International Inc and its subsidiaries for the year ended December 31, 2023 were audited by another CPA firm, which issued an audit report with an unqualified opinion on March 29, 2024.

We have also audited the parent company only financial statements of Dyaco International Inc. as of and for the years ended December 31, 2024 and 2023 on which we and the other CPA firm have issued unmodified opinions, respectively, for your 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 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group'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 Standards on Auditing of 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 Standards on Auditing of 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 Group'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 Group'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 Group 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 entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chen, Chung-Che and Tsou, Yi-Yun.

KPMG  
Taipei, Taiwan (Republic of China)  
March 28, 2025

Notice to Readers

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

*For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.*

## Independent Auditors' Report

To the Board of Directors of Dyaco International Inc.

### Opinion

We have audited the accompanying financial statements of Dyaco International Inc. (the "Corporation"), which comprise the Balance Sheets as of December 31, 2024, and the Statements of Comprehensive Income, changes in equity and cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The descriptions for the key audit matters of the financial statements are as follows:

#### Impairment of Goodwill arising from Investments accounted for using the equity method

Accounting policies related to impairment of goodwill arising from investments in subsidiaries are detailed in Notes IV(IX), (XIII) and (XIV) to the financial statements. Significant accounting estimates and judgments related to goodwill can be found in Note V(II), and the assessment of goodwill impairment related to the acquisition of the aforementioned subsidiaries is disclosed in Note VI(VIII) to the financial statements..

#### Description of Key Audit Matter:

Investments accounted for using the equity method by Dyaco International Inc. include goodwill arising from past acquisitions of subsidiaries. As of December 31, 2024, the carrying amount of

goodwill was \$588,898 thousand. In accordance with International Accounting Standard 36, "Impairment of Assets," goodwill acquired in a business combination must be tested for impairment at least annually. Due to the materiality of the goodwill amount and the significant management judgment involved in the impairment assessment, the evaluation of goodwill impairment related to equity-method investments was considered a key audit matter in our audit of the financial statements of Dyaco International Inc.

Our primary audit procedures performed included the following:

5. Evaluated the professional competence, qualifications, and objectivity of the external valuation specialists engaged by management, and verified their credentials to ensure their independence and objectivity or limit the scope of their work.
6. Engaged our internal valuation specialists to assist in reviewing the report issued by the external valuation specialists, including assessing the appropriateness of the valuation methodology, models used, and the reasonableness of the assumptions regarding the weighted average cost of capital (WACC).
7. Obtained an understanding of key assumptions used by management, including historical revenue, revenue growth rate, gross margin, operational performance, and comparisons of historical budgets to actual results, to assess the accuracy of prior forecasts and the reliability of management's projections for future periods, in order to evaluate the reasonableness of the underlying assumptions.
8. Based on the above understanding, evaluations, and recalculations, we assessed whether any indicators of impairment existed with respect to the goodwill included in the equity-method investments.

#### **Other matters**

The financial statements of Dyaco International Inc for the year ended December 31, 2023 were audited by another CPA firm, which issued an audit report with an unqualified opinion on March 29, 2024.

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

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

In preparing the financial statements, management is responsible for assessing the Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Corporation's financial reporting process.

**Dyaco International Inc. and subsidiaries**  
**Notes to the Consolidated Financial Statements**

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

Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing of 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 financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

7. Identify and assess the risks of material misstatement of the 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.
8. 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 Corporation's internal control.
9. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
10. 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 Corporation'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 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 to cease to continue as a going concern.
11. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. Obtain sufficient and appropriate audit evidence regarding the financial information of Investees accounted for using the equity method within the Corporation to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the Corporation audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all

**Dyaco International Inc. and subsidiaries**  
**Notes to the Consolidated Financial Statements**

relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the reviews resulting in this independent auditors' review report are Chen, Chung-Che and Tsou, Yi-Yun.

KPMG  
Taipei, Taiwan (Republic of China)  
March 28, 2025

Notice to Readers

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

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

**Dyaco International Inc. and subsidiaries**

**Consolidated Balance Sheets**

**DECEMBER 31, 2024 AND 2023**

**(Expressed in Thousands of New Taiwan Dollars)**

|                            |  | <u>December 31,2024</u> |            | <u>December 31,2023</u> |            |   |  | <u>December 31,2024</u> |            | <u>December 31,2023</u> |            |
|----------------------------|--|-------------------------|------------|-------------------------|------------|---|--|-------------------------|------------|-------------------------|------------|
| <b>ASSETS</b>              |  | <u>Amount</u>           | <u>%</u>   | <u>Amount</u>           | <u>%</u>   | <b>LIABILITIES AND EQUITY</b>                           |  | <u>Amount</u>           | <u>%</u>   | <u>Amount</u>           | <u>%</u>   |
| <b>CURRENT ASSETS:</b>     |  |                         |            |                         |            | <b>CURRENT LIABILITIES:</b>                             |  |                         |            |                         |            |
| 1100                       | Cash and cash equivalents (Note VI(I))   | \$ 1,159,244            | 10         | 1,158,512               | 10         | 2100  | Short-term borrowings (Notes VI(XV) and VIII)                    | \$ 1,953,595            | 18         | 2,118,015               | 19         |
| 1110                       | Financial assets at fair value through profit or loss (Note VI(II))              | 43,117                  | -          | 16,555                  | -          | 2130  | Contract liabilities (Note VI(XXV))                              | 73,924                  | 1          | 145,721                 | 1          |
| 1136                       | Financial assets at amortized cost (Note VI(IV))                                 | 14,532                  | -          | 83,095                  | 1          | 2150  | Notes payable  | 31,305                  | -          | 43,705                  | 1          |
| 1150                       | Notes receivable (Note VI(V) and (XXV))  | 1,892                   | -          | 984                     | -          | 2170  | Accounts payable   | 1,096,460               | 10         | 941,012                 | 8          |
| 1170                       | Accounts receivable (Note VI(V) and (XXV))                                       | 1,208,714               | 11         | 1,071,044               | 9          | 2200  | Other payables   | 394,248                 | 4          | 457,690                 | 4          |
| 1200                       | Other receivables (Note VI(VI))  | 17,808                  | -          | 15,099                  | -          | 2220  | Other payables to related parties (Note VII)                     | -                       | -          | 8,598                   | -          |
| 1220                       | Current tax assets   | 37,858                  | -          | 93,998                  | 1          | 2230  | Current income tax liabilities                                   | 55,354                  | -          | 7,066                   | -          |
| 130X                       | Inventories (Note VI(VII))   | 2,250,910               | 21         | 2,474,495               | 22         | 2250  | Provisions   | 13,338                  | -          | 12,044                  | -          |
| 1410                       | Prepayments  | 237,280                 | 3          | 187,734                 | 2          | 2280  | Lease liabilities (Note VI(XVIII))                               | 17,581                  | -          | 11,613                  | -          |
| 1470                       | Other current assets (Note VIII)   | 44,649                  | -          | 12,395                  | -          | 2321  | Current portion of bonds payable (Notes VI(XVII) and VIII)       | -                       | -          | 1,200                   | -          |
|                            |  | <u>5,016,004</u>        | <u>45</u>  | <u>5,113,911</u>        | <u>45</u>  | 2322  | Current portion of long-term borrowings (Notes VI(XVI) and VIII) | 271,439                 | 2          | 296,527                 | 3          |
|                            |  |                         |            |                         |            | 2399  | Other current liabilities  | 25,609                  | -          | 38,492                  | -          |
|                            |  |                         |            |                         |            |   |  | <u>3,932,853</u>        | <u>35</u>  | <u>4,081,683</u>        | <u>36</u>  |
| <b>NON-CURRENT ASSETS:</b> |  |                         |            |                         |            | <b>NON-CURRENT LIABILITIES:</b>                         |  |                         |            |                         |            |
| 1510                       | Financial assets at fair value through profit or loss (Note VI(II))              | -                       | -          | 118,124                 | 1          | 2540  | Long-term borrowings (Notes VI(XVI) and VIII)                    | 1,830,671               | 16         | 1,918,802               | 17         |
| 1517                       | Financial assets at fair value through other comprehensive income (Note VI(III)) | 36,813                  | -          | 50,970                  | 1          | 2570  | Deferred tax liabilities (Notes VI(XXI))                         | 311,978                 | 3          | 423,526                 | 4          |
| 1535                       | Financial assets at amortized cost (Note VI(IV))                                 | 32,785                  | -          | 6,141                   | -          | 2580  | Lease liabilities (Note VI(XVIII))                               | 40,205                  | -          | 13,926                  | -          |
| 1550                       | Investments accounted for using equity method (Note VI(VIII))                    | 6,136                   | -          | 6,368                   | -          | 2610  | Long-term payable  | 44,014                  | -          | 58,829                  | 1          |
| 1600                       | Property, plant and equipment (Notes VI (XI) ,VII and VIII)                      | 3,934,280               | 36         | 3,755,859               | 33         | 2622  | Other payables to related parties                                | -                       | 1          | 7,369                   | -          |
| 1755                       | Right-of-use assets (Notes VI((XII) and VIII)                                    | 317,520                 | 3          | 286,306                 | 3          | 2640  | Net defined benefit liabilities (Notes VI(XX))                   | 10,521                  | -          | 11,647                  | -          |
| 1760                       | Investment properties (Notes VI(XIII) and VIII)                                  | 21,452                  | -          | 25,258                  | -          | 2645  | Guarantee deposits received                                      | 1,975                   | -          | 1,715                   | -          |
| 1821                       | Intangible assets (Notes VI(XIV) and VII)  | 1,318,107               | 12         | 1,315,161               | 12         |   |  | <u>2,239,364</u>        | <u>20</u>  | <u>2,435,814</u>        | <u>22</u>  |
| 1840                       | Deferred income tax assets (Notes VI(XXI))                                       | 407,007                 | 4          | 493,769                 | 4          |   |  | <u>6,172,217</u>        | <u>55</u>  | <u>6,517,497</u>        | <u>58</u>  |
| 1915                       | Prepayments for equipment  | 2,040                   | -          | 3,679                   | -          | <b>Total liabilities</b>                                |  |                         |            |                         |            |
| 1920                       | Refundable deposits  | 26,881                  | -          | 78,064                  | 1          | <b>EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION</b> |  |                         |            |                         |            |
| 1990                       | Other non-current assets (Note VIII)   | 4,773                   | -          | 35,564                  | -          | <b>(NOTE VI(XXII)):</b>                                 |  |                         |            |                         |            |
|                            |  | <u>6,107,794</u>        | <u>55</u>  | <u>6,175,263</u>        | <u>55</u>  | 3110  | Ordinary shares  | 1,671,420               | 14         | 1,596,097               | 14         |
|                            |  |                         |            |                         |            | 3200  | Capital surplus  | 2,684,014               | 24         | 2,756,721               | 25         |
|                            |  |                         |            |                         |            | 3300  | Retained earnings  | 628,320                 | 6          | 555,650                 | 5          |
|                            |  |                         |            |                         |            | 3400  | Other equity interests   | (26,103)                | -          | (125,684)               | (1)        |
|                            |  |                         |            |                         |            | 3500  | Treasury shares  | (408,690)               | (3)        | (408,690)               | (4)        |
|                            |  |                         |            |                         |            |   | Total equity attributable to owners of parent                    | <u>4,548,961</u>        | <u>41</u>  | <u>4,374,094</u>        | <u>39</u>  |
|                            |  |                         |            |                         |            | 36XX  | Non-controlling interests (Note VI(X))                           | 402,620                 | 4          | 397,583                 | 3          |
|                            |  |                         |            |                         |            |   | <b>Total equity</b>  | <u>4,951,581</u>        | <u>45</u>  | <u>4,771,677</u>        | <u>42</u>  |
| <b>TOTAL</b>               |  | <u>\$ 11,123,798</u>    | <u>100</u> | <u>11,289,174</u>       | <u>100</u> | <b>TOTAL</b>  |  | <u>\$ 11,123,798</u>    | <u>100</u> | <u>11,289,174</u>       | <u>100</u> |

Seeing accompanying notes to financial statements

**Dyaco International Inc. and subsidiaries**  
**Consolidated Statements of Comprehensive Income**  
**For the Years Ended December 31, 2024 and 2023**

(Expressed in Thousands of New Taiwan Dollars)

|   | 2024              |          | 2023             |            |
|---|-------------------|----------|------------------|------------|
|   | Amount            | %        | Amount           | %          |
| 4000 NET SALES REVENUE (Notes VI(XXV))  | \$ 7,217,077      | 100      | 7,786,471        | 100        |
| 5000 OPERATING COST (Notes VI(VII))   | 4,639,826         | 64       | 5,119,386        | 66         |
| 5950 GROSS PROFIT   | 2,577,251         | 36       | 2,667,085        | 34         |
| <b>OPERATING EXPENSES (Note VII):</b>   |                   |          |                  |            |
| 6100 Marketing expenses   | 1,569,600         | 22       | 1,834,475        | 24         |
| 6200 General and administrative expenses  | 885,640           | 12       | 815,672          | 10         |
| 6300 Research and development expenses  | 124,595           | 2        | 118,559          | 1          |
| 6450 Expected credit (gain) loss (Note VI(V) and XXVIII)  | (32,458)          | -        | (3,198)          | -          |
| <b>Total operating expenses</b>   | 2,547,377         | 36       | 2,765,508        | 35         |
| <b>NET OPERATING INCOME (LOSS)</b>  | 29,874            | -        | (98,423)         | (1)        |
| <b>NON-OPERATING INCOME AND EXPENSES (Note VI(XXVII)):</b>  |                   |          |                  |            |
| 7100 Interest income  | 13,731            | -        | 13,404           | -          |
| 7010 Other income   | 70,748            | 1        | 34,940           | -          |
| 7020 Other gain and loss  | 62,471            | 2        | (21,123)         | -          |
| 7050 Finance costs (Notes VI(XVII) and (XVIII))   | (97,664)          | (1)      | (97,894)         | (1)        |
| 7370 Share of profit (loss) of associates and joint ventures accounted for using equity method (Notes VI(VIII))     | (323)             | -        | (335)            | -          |
|   | 48,963            | 2        | (71,008)         | (1)        |
| <b>PROFIT (LOSS) BEFORE INCOME TAX</b>  | 78,837            | 2        | (169,431)        | (2)        |
| 7950 Less: INCOME TAX EXPENSE (BENEFIT)(Note VI(XXI))   | 8,954             | -        | (59,059)         | 1          |
| <b>NET LOSS</b>   | 69,883            | 2        | (110,372)        | (1)        |
| 8300 <b>OTHER COMPREHENSIVE INCOME (LOSS):</b>  |                   |          |                  |            |
| 8310 <b>Items that will not be reclassified subsequently to profit or loss:</b>                                     |                   |          |                  |            |
| 8311 Gains on remeasurements of defined benefit plans (Note VI(XX))   | 897               | -        | 4,655            | -          |
| 8316 Unrealized loss on investments in equity instruments at fair value through other comprehensive income          | (14,266)          | -        | (14,661)         | -          |
| 8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss | 179               | -        | 931              | -          |
| <b>Total Items that will not be reclassified subsequently to profit or loss</b>                                     | (13,548)          | -        | (10,937)         | -          |
| 8360 <b>Items that may be reclassified subsequently to profit or loss:</b>  |                   |          |                  |            |
| 8361 Exchange differences on translating foreign operations   | 124,463           | 2        | 7,632            | -          |
| 8399 Income tax related to components of other comprehensive income that will be reclassified to profit or loss     | -                 | -        | -                | -          |
| <b>Total items that may be reclassified subsequently to profit or loss</b>  | 124,463           | 2        | 7,632            | -          |
| 8300 <b>OTHER COMPREHENSIVE INCOME (LOSS)</b>   | 110,915           | 2        | (3,305)          | -          |
| <b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>  | <b>\$ 180,798</b> | <b>4</b> | <b>(113,677)</b> | <b>(1)</b> |
| <b>NET PROFIT (LOSS) ATTRIBUTABLE TO:</b>   |                   |          |                  |            |
| 8610 Owners of the Corporation  | \$ 71,952         | 2        | (122,770)        | (1)        |
| 8620 Non-controlling interests  | (2,069)           | -        | 12,398           | -          |
|   | <b>\$ 69,883</b>  | <b>2</b> | <b>(110,372)</b> | <b>(1)</b> |
| <b>TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:</b>   |                   |          |                  |            |
| 8710 Owners of the Corporation  | \$ 172,251        | 3        | (118,553)        | (1)        |
| 8720 Non-controlling interests  | 8,547             | 1        | 4,876            | -          |
|   | <b>\$ 180,798</b> | <b>4</b> | <b>(113,677)</b> | <b>(1)</b> |
| <b>EARNINGS (LOSS) PER SHARE (Note VI(XXIV))</b>  |                   |          |                  |            |
| 9750 <b>Basic Earnings (Loss) Per Share (New Taiwan Dollar)</b>   | <b>\$ 0.45</b>    |          | <b>(0.88)</b>    |            |
| 9850 <b>Diluted Earnings (Loss) Per Share (New Taiwan Dollar)</b>   | <b>\$ 0.45</b>    |          |                  |            |

**Seeing accompanying notes to financial statements**

**Dyaco International Inc. and subsidiaries**  
**Consolidated Statements of Changes in Equity**  
**For the Years Ended December 31, 2024 and 2023**

(Expressed in Thousands of New Taiwan Dollars)

|  | Other Equity Interests |                  |                   |                 |                         |                         |   |   |                 |                  |                              |                           |                  |
|--|------------------------|------------------|-------------------|-----------------|-------------------------|-------------------------|---|---|-----------------|------------------|------------------------------|---------------------------|------------------|
|  | Share Capital          |                  | Retained Earnings |                 |                         |                         | Other Equity Interests  |   | Total           | Treasury Shares  | Total other equity interests | Non-controlling Interests | Total equity     |
|  | Ordinary share         | Capital Surplus  | Legal Reserve     | Special Reserve | Unappropriated Earnings | Total retained earnings | Exchange Differences on Translation of the Financial Statements of Foreign Operations | Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income |                 |                  |                              |                           |                  |
| <b>BALANCE AT JANUARY 1, 2023</b>                            | \$ 1,341,147           | 2,142,919        | 329,002           | 238,087         | 170,420                 | 737,509                 | (118,910)   | (7,267)   | (126,177)       | (426,290)        | 3,669,108                    | 394,852                   | 4,063,960        |
| Net loss   | -                      | -                | -                 | -               | (122,770)               | (122,770)               | -   | -   | -               | -                | (122,770)                    | 12,398                    | (110,372)        |
| Other comprehensive income (loss)                            | -                      | -                | -                 | -               | 3,724                   | 3,724                   | 15,154  | (14,661)  | 493             | -                | 4,217                        | (7,522)                   | (3,305)          |
| Total comprehensive income (loss)                            | -                      | -                | -                 | -               | (119,046)               | (119,046)               | 15,154  | (14,661)  | 493             | -                | (118,553)                    | 4,876                     | (113,677)        |
| Appropriation and distribution of retained earnings:         |                        |                  |                   |                 |                         |                         |   |   |                 |                  |                              |                           |                  |
| Cash dividends   | -                      | -                | -                 | -               | (62,813)                | (62,813)                | -   | -   | -               | -                | (62,813)                     | -                         | (62,813)         |
| Reversal of special reserve                                  | -                      | -                | -                 | (111,910)       | 111,910                 | -                       | -   | -   | -               | -                | -                            | -                         | -                |
| Issuance of new ordinary shares for cash                     | 250,000                | 572,332          | -                 | -               | -                       | -                       | -   | -   | -               | -                | 822,332                      | -                         | 822,332          |
| Organizations Reorganization                                 | -                      | (702)            | -                 | -               | -                       | -                       | -   | -   | -               | -                | (702)                        | 702                       | -                |
| Treasury shares transferred to employees                     | -                      | (2,973)          | -                 | -               | -                       | -                       | -   | -   | -               | 17,600           | 14,627                       | -                         | 14,627           |
| Changes in percentage of ownership interests in subsidiaries | -                      | 3,321            | -                 | -               | -                       | -                       | -   | -   | -               | -                | 3,321                        | (3,321)                   | -                |
| Issuance of ordinary shares under employee share options     | 4,950                  | 41,824           | -                 | -               | -                       | -                       | -   | -   | -               | -                | 46,774                       | 474                       | 47,248           |
| <b>BALANCE AT DECEMBER 31, 2023</b>                          | 1,596,097              | 2,756,721        | 329,002           | 126,177         | 100,471                 | 555,650                 | (103,756)   | (21,928)  | (125,684)       | (408,690)        | 4,374,094                    | 397,583                   | 4,771,677        |
| Net Profit   | -                      | -                | -                 | -               | 71,952                  | 71,952                  | -   | -   | -               | -                | 71,952                       | (2,069)                   | 69,883           |
| Other comprehensive income (loss)                            | -                      | -                | -                 | -               | 718                     | 718                     | 113,847   | (14,266)  | 99,581          | -                | 100,299                      | 10,616                    | 110,915          |
| Total comprehensive income (loss)                            | -                      | -                | -                 | -               | 72,670                  | 72,670                  | 113,847   | (14,266)  | 99,581          | -                | 172,251                      | 8,547                     | 180,798          |
| Appropriation and distribution of earnings:                  |                        |                  |                   |                 |                         |                         |   |   |                 |                  |                              |                           |                  |
| Reversal of special reserve                                  | -                      | -                | -                 | (492)           | 492                     | -                       | -   | -   | -               | -                | -                            | -                         | -                |
| Stock dividends from capital surplus                         | 75,323                 | (75,323)         | -                 | -               | -                       | -                       | -   | -   | -               | -                | -                            | -                         | -                |
| Issuance of ordinary shares under employee share options     | -                      | 114              | -                 | -               | -                       | -                       | -   | -   | -               | -                | 114                          | (3,538)                   | (3,424)          |
| Changes in non-controlling interests                         | -                      | 2,502            | -                 | -               | -                       | -                       | -   | -   | -               | -                | 2,502                        | 28                        | 2,530            |
| <b>BALANCE AT DECEMBER 31, 2024</b>                          | <b>\$ 1,671,420</b>    | <b>2,684,014</b> | <b>329,002</b>    | <b>125,685</b>  | <b>173,633</b>          | <b>628,320</b>          | <b>10,091</b>   | <b>(36,194)</b>   | <b>(26,103)</b> | <b>(408,690)</b> | <b>4,548,961</b>             | <b>402,620</b>            | <b>4,951,581</b> |

Seeing accompanying notes to financial statements

**Dyaco International Inc. and subsidiaries**  
**Consolidated Statements of Cash Flows**  
**For the Years Ended December 31, 2024 and 2023**

(Expressed in Thousands of New Taiwan Dollars)

|   | 2024      | 2023      |
|---|-----------|-----------|
| <b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>                               |           |           |
| Profit (Loss) before income tax   | \$ 78,837 | (169,431) |
| <b>Adjustments :</b>  |           |           |
| Adjustments to reconcile profit (loss) :  |           |           |
| Depreciation expense  | 192,914   | 183,356   |
| Amortization expense  | 85,425    | 82,791    |
| Expected credit gain recognized   | (32,458)  | (3,198)   |
| Net losses on financial assets or liabilities at fair value through profit or loss  | 119,062   | 30,660    |
| Interest expense  | 97,664    | 97,894    |
| Interest income   | (13,731)  | (13,404)  |
| Share-based payments  | 2,530     | 29,972    |
| Share of loss of associates and joint venture accounted for using the equity method | 323       | 335       |
| Loss on disposal of property, plant and equipment                                   | 137       | 1,182     |
| Loss on inventories valuation and obsolescence                                      | 12,313    | 65,465    |
| Unrealized gain on foreign currency exchange  | (151,523) | (100,146) |
| Gain on redemption of bonds payable   | -         | (270)     |
| Gain on lease modification  | (352)     | -         |
| Total adjustments to reconcile profit (loss)  | 312,304   | 374,637   |
| Changes in operating assets and liabilities:  |           |           |
| Changes in operating assets, net:   |           |           |
| Increase in notes receivable  | (913)     | (44)      |
| Decrease (increase) in accounts receivable  | (51,230)  | 29,729    |
| Decrease (increase) in other receivables  | (2,478)   | 50,077    |
| Decrease in other receivable from related parties                                   | -         | 24,909    |
| Decrease in inventories   | 328,898   | 582,662   |
| Decrease (increase) in prepayments  | (49,691)  | 27,166    |
| Increase in other current assets  | (32,253)  | (1,777)   |
| Total changes in operating assets, net  | 192,333   | 712,722   |
| Changes in operating liabilities, net:  |           |           |
| Decrease in contract liabilities  | (71,798)  | (31,846)  |
| Decrease in notes payable   | (12,400)  | (2,412)   |
| Increase (decrease) in accounts payable   | 113,044   | (78,231)  |
| Decrease in others accounts payable   | (78,218)  | (43,005)  |
| Decrease in other payables to related parties                                       | (15,967)  | -         |
| Increase (decrease) in provisions   | 998       | (1,479)   |
| Decrease in other current liabilities   | (12,883)  | (2,497)   |
| Decrease in net defined benefit liabilities   | (229)     | (165)     |
| Total changes in operating liabilities, net   | (77,453)  | (159,635) |
| Total change in operating assets and liabilities                                    | 114,880   | 553,087   |
| Total adjustments   | 427,184   | 927,724   |
| Cash inflow generated from operations   | 506,021   | 758,293   |
| Interest received   | 13,731    | 13,404    |
| Interest paid   | (98,000)  | (113,647) |
| Income tax refunded (paid)  | 70,508    | (41,440)  |
| <b>Net cash generated from operating activities</b>                                 | 492,260   | 616,610   |

(Continued)

**CASH FLOWS FROM INVESTING ACTIVITIES**

|  |                  |                  |
|--|------------------|------------------|
| Acquisition of financial assets at amortized cost                    | (41,130)         | -                |
| Proceeds from disposal of financial assets at amortized cost         | 84,236           | 182,052          |
| Acquisition of financial assets at fair value through profit or loss | (27,500)         | (17,400)         |
| Acquisition of property, plant and equipment                         | (288,908)        | (218,197)        |
| Proceeds from disposal of property, plant and equipment              | 2,662            | 12               |
| Decrease (increase) in refundable deposits                           | 54,697           | (41,752)         |
| Acquisition of intangible assets                                     | (28,945)         | (45,901)         |
| Decrease (increase) in other non-current assets                      | 27,632           | (25,322)         |
| <b>Net cash used in investing activities</b>                         | <b>(217,256)</b> | <b>(166,508)</b> |

**CASH FLOWS FROM FINANCING ACTIVITIES**

|  |                     |                  |
|--|---------------------|------------------|
| Increase in short-term borrowings  | 6,590,985           | -                |
| Decrease in short-term borrowings  | (6,758,467)         | (300,981)        |
| Repayment of bonds payable   | (1,200)             | (1,407,553)      |
| Proceeds from long-term borrowings   | 1,387,722           | 765,513          |
| Repayments of long-term borrowings   | (1,510,993)         | (223,637)        |
| Increase (decrease) in guarantee deposits received                                 | 192                 | (1,439)          |
| Payments of lease liabilities  | (19,225)            | (20,781)         |
| Dividends paid to owners of the Corporation  | -                   | (62,813)         |
| Issuance of new ordinary shares for cash   | -                   | 822,332          |
| Exercise of employee stock options   | -                   | 17,276           |
| Proceeds from treasury shares transferred to employees                             | -                   | 14,627           |
| Changes in non-controlling interests   | (3,424)             | -                |
| <b>Net cash used in financing activities</b>                                       | <b>(314,410)</b>    | <b>(397,456)</b> |
| Effects of exchange rate changes on the balance of cash held in foreign currencies | 40,138              | (14,915)         |
| Increase in current cash and cash equivalents                                      | 732                 | 37,731           |
| Cash and cash equivalents at beginning of period                                   | 1,158,512           | 1,120,781        |
| Cash and cash equivalents at end of period   | <b>\$ 1,159,244</b> | <b>1,158,512</b> |

(Concluded)



**Dyaco International Inc.**  
**Statements of Comprehensive Income**  
**For the Years Ended December 31, 2024 and 2023**

(Expressed in Thousands of New Taiwan Dollars)

|   | 2024              |          | 2023             |            |
|---|-------------------|----------|------------------|------------|
|   | Amount            | %        | Amount           | %          |
| 4000 <b>NET SALES REVENUE</b> (Notes VI(XXIV))  | \$ 3,335,439      | 100      | 3,672,798        | 100        |
| 5000 <b>OPERATING COST</b> (Notes VI(VII))  | 2,549,174         | 76       | 2,829,679        | 77         |
| 5900 <b>GROSS PROFIT</b>  | 786,265           | 24       | 843,119          | 23         |
| 5910 Less: Unrealized gain and loss on sales  | 243,578           | 7        | 300,998          | 8          |
| 5920 Add: Realized gain and loss on sales   | 300,998           | 9        | 325,931          | 9          |
| 5950 <b>GROSS PROFIT</b>  | 843,685           | 26       | 868,052          | 24         |
| <b>OPERATING EXPENSES</b> (Note VII):   |                   |          |                  |            |
| 6100 Marketing expenses   | 227,776           | 7        | 214,897          | 6          |
| 6200 General and administrative expenses  | 159,827           | 5        | 152,226          | 4          |
| 6300 Research and development expenses  | 114,114           | 3        | 109,600          | 3          |
| 6450 Expected credit (gain) loss (Note VI(V) and XXVII)   | (1,489)           | -        | (11,525)         | -          |
| <b>Total operating expenses</b>   | 500,228           | 15       | 465,198          | 13         |
| <b>NET OPERATING INCOME</b>   | 343,457           | 11       | 402,854          | 11         |
| <b>NON-OPERATING INCOME AND EXPENSES</b> (Note VI(XXVI)):   |                   |          |                  |            |
| 7100 Interest income  | 6,347             | -        | 8,696            | -          |
| 7010 Other income   | 27,129            | 1        | 15,592           | 1          |
| 7020 Other gain and loss  | 62,413            | 2        | (25,363)         | (1)        |
| 7050 Finance costs (Notes VI(XVI) and (XVII))   | (71,711)          | (2)      | (71,825)         | (2)        |
| 7370 Share of profit (loss) of associates and joint ventures accounted for using equity method (Notes VI(VIII))                   | (281,639)         | (8)      | (478,056)        | (13)       |
|   | (257,461)         | (7)      | (550,956)        | (15)       |
| <b>PROFIT (LOSS) BEFORE INCOME TAX</b>  | 85,996            | 4        | (148,102)        | (4)        |
| 7950 <b>Add: INCOME TAX EXPENSE (BENEFIT)</b> (Note VI(XX))   | 14,044            | -        | (25,332)         | 1          |
| <b>NET LOSS</b>   | 71,952            | 4        | (122,770)        | (3)        |
| 8300 <b>OTHER COMPREHENSIVE INCOME (LOSS):</b>  |                   |          |                  |            |
| 8310 <b>Items that will not be reclassified subsequently to profit or loss:</b>   |                   |          |                  |            |
| 8311 Gains on remeasurements of defined benefit plans (Note VI(XIX))  | 897               | -        | 4,655            | -          |
| 8316 Unrealized loss on investments in equity instruments at fair value through other comprehensive income                        | (11,823)          | -        | (14,327)         | -          |
| 8330 Share of other comprehensive income (loss) of subsidiaries and associates accounted for using the equity method              | (2,443)           | -        | (334)            | -          |
| 8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (Note VI(XX)) | 179               | -        | 931              | -          |
| <b>Total Items that will not be reclassified subsequently to profit or loss</b>   | (13,548)          | -        | (10,937)         | -          |
| 8360 <b>Items that may be reclassified subsequently to profit or loss:</b>  |                   |          |                  |            |
| 8361 Exchange differences on translating foreign operations   | 113,847           | 3        | 15,154           | -          |
| 8399 Income tax related to components of other comprehensive income that will be reclassified to profit or loss                   | -                 | -        | -                | -          |
| <b>Total items that may be reclassified subsequently to profit or loss</b>  | 113,847           | 3        | 15,154           | -          |
| 8300 <b>OTHER COMPREHENSIVE INCOME (LOSS)</b>   | 100,299           | 3        | 4,217            | -          |
| <b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>  | <b>\$ 172,251</b> | <b>7</b> | <b>(118,553)</b> | <b>(3)</b> |
| <b>EARNINGS (LOSS) PER SHARE</b> (Note VI(XXIII))   |                   |          |                  |            |
| 9750 <b>Basic Earnings (Loss) Per Share</b> (New Taiwan Dollar)   | <b>\$ 0.45</b>    |          | <b>(0.88)</b>    |            |
| 9850 <b>Diluted Earnings (Loss) Per Share</b> (New Taiwan Dollar)   | <b>\$ 0.45</b>    |          |                  |            |

Seeing accompanying notes to financial statements

**Dyaco International Inc.**  
**Statements of Changes in Equity**  
**For the Years Ended December 31, 2024 and 2023**

(Expressed in Thousands of New Taiwan Dollars)

|  | Share Capital       |                  | Retained Earnings |                 |                         |                         | Other Equity Interests  |   | Total           | Treasury Shares  | Total equity     |
|--|---------------------|------------------|-------------------|-----------------|-------------------------|-------------------------|---|---|-----------------|------------------|------------------|
|  | Ordinary share      | Capital Surplus  | Legal Reserve     | Special Reserve | Unappropriated Earnings | Total retained earnings | Exchange Differences on Translation of the Financial Statements of Foreign Operations | Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income |                 |                  |                  |
| <b>BALANCE AT JANUARY 1, 2023</b>                            | \$ 1,341,147        | 2,142,919        | 329,002           | 238,087         | 170,420                 | 737,509                 | (118,910)   | (7,267)   | (126,177)       | (426,290)        | 3,669,108        |
| Net loss   | -                   | -                | -                 | -               | (122,770)               | (122,770)               | -   | -   | -               | -                | (122,770)        |
| Other comprehensive income (loss)                            | -                   | -                | -                 | -               | 3,724                   | 3,724                   | 15,154  | (14,661)  | 493             | -                | 4,217            |
| Total comprehensive income (loss)                            | -                   | -                | -                 | -               | (119,046)               | (119,046)               | 15,154  | (14,661)  | 493             | -                | (118,553)        |
| Appropriation and distribution of retained earnings:         |                     |                  |                   |                 |                         |                         |   |   |                 |                  |                  |
| Cash dividends   | -                   | -                | -                 | -               | (62,813)                | (62,813)                | -   | -   | -               | -                | (62,813)         |
| Reversal of special reserve                                  | -                   | -                | -                 | (111,910)       | 111,910                 | -                       | -   | -   | -               | -                | -                |
| Issuance of new ordinary shares for cash                     | 250,000             | 572,332          | -                 | -               | -                       | -                       | -   | -   | -               | -                | 822,332          |
| Organizations Reorganization                                 | -                   | (702)            | -                 | -               | -                       | -                       | -   | -   | -               | -                | (702)            |
| Treasury shares transferred to employees                     | -                   | (2,973)          | -                 | -               | -                       | -                       | -   | -   | -               | 17,600           | 14,627           |
| Changes in percentage of ownership interests in subsidiaries | -                   | 3,321            | -                 | -               | -                       | -                       | -   | -   | -               | -                | 3,321            |
| Issuance of ordinary shares under employee share options     | 4,950               | 41,824           | -                 | -               | -                       | -                       | -   | -   | -               | -                | 46,774           |
| <b>BALANCE AT DECEMBER 31, 2023</b>                          | 1,596,097           | 2,756,721        | 329,002           | 126,177         | 100,471                 | 555,650                 | (103,756)   | (21,928)  | (125,684)       | (408,690)        | 4,374,094        |
| Net Profit   | -                   | -                | -                 | -               | 71,952                  | 71,952                  | -   | -   | -               | -                | 71,952           |
| Other comprehensive income (loss)                            | -                   | -                | -                 | -               | 718                     | 718                     | 113,847   | (14,266)  | 99,581          | -                | 100,299          |
| Total comprehensive income (loss)                            | -                   | -                | -                 | -               | 72,670                  | 72,670                  | 113,847   | (14,266)  | 99,581          | -                | 172,251          |
| Appropriation and distribution of earnings:                  |                     |                  |                   |                 |                         |                         |   |   |                 |                  |                  |
| Reversal of special reserve                                  | -                   | -                | -                 | (492)           | 492                     | -                       | -   | -   | -               | -                | -                |
| Stock dividends from capital surplus                         | 75,323              | (75,323)         | -                 | -               | -                       | -                       | -   | -   | -               | -                | -                |
| Issuance of ordinary shares under employee share options     | -                   | 114              | -                 | -               | -                       | -                       | -   | -   | -               | -                | 114              |
| Changes in non-controlling interests                         | -                   | 2,502            | -                 | -               | -                       | -                       | -   | -   | -               | -                | 2,502            |
| <b>BALANCE AT DECEMBER 31, 2024</b>                          | <b>\$ 1,671,420</b> | <b>2,684,014</b> | <b>329,002</b>    | <b>125,685</b>  | <b>173,633</b>          | <b>628,320</b>          | <b>10,091</b>   | <b>(36,194)</b>   | <b>(26,103)</b> | <b>(408,690)</b> | <b>4,548,961</b> |

Seeing accompanying notes to financial statements

## Dyaco International Inc.

### Statements of Cash Flows

For the Years Ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

|   | 2024           | 2023           |
|---|----------------|----------------|
| <b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>   |                |                |
| Profit (Loss) before income tax   | \$ 85,996      | (148,102)      |
| <b>Adjustments :</b>  |                |                |
| Adjustments to reconcile profit (loss) :  |                |                |
| Depreciation expense  | 72,477         | 66,480         |
| Amortization expense  | 35,439         | 33,422         |
| Expected credit (gain) loss recognized  | (1,489)        | (11,525)       |
| Net losses on financial assets or liabilities at fair value through profit or loss                | 119,062        | 30,660         |
| Interest expense  | 71,711         | 71,825         |
| Interest income   | (6,347)        | (8,696)        |
| Share-based payments  | -              | 23,553         |
| Share of loss of subsidiaries, associates and joint venture accounted for using the equity method | 281,639        | 478,056        |
| Gain on disposal of property, plant and equipment   | (283)          | (48)           |
| Loss on inventories valuation and obsolescence  | 17,713         | 10,666         |
| Realized gain on transactions with subsidiaries   | (57,420)       | (24,933)       |
| Unrealized loss (gain) on foreign currency exchange   | (74,071)       | 29,126         |
| Gain on redemption of bonds payable   | -              | (270)          |
| Gain on lease modification  | (224)          | -              |
| Total adjustments to reconcile profit (loss)  | 458,207        | 698,316        |
| Changes in operating assets and liabilities:  |                |                |
| Changes in operating assets, net:   |                |                |
| Increase in notes receivable  | (1,005)        | (141)          |
| Increase in accounts receivable   | (6,428)        | (18,094)       |
| Decrease (increase) in accounts receivable from related parties                                   | 147,442        | (3,806)        |
| Increase in other receivables   | (2,833)        | (300)          |
| Decrease (increase) in other receivable from related parties                                      | 93,762         | (165,025)      |
| Decrease (increase) in inventories  | (73,696)       | 15,838         |
| Decrease (increase) in prepayments  | 5,343          | (9,679)        |
| Increase in other current assets  | (27,772)       | (2,054)        |
| Total changes in operating assets, net  | 134,813        | (183,261)      |
| Changes in operating liabilities, net:  |                |                |
| Decrease in contract liabilities  | (4,511)        | (21,895)       |
| Increase (decrease) in notes payable  | (3,883)        | 8,730          |
| Increase in accounts payable  | 29,044         | 96,730         |
| Increase in accounts payable to related parties   | 82,632         | 237,167        |
| Increase (decrease) in other payables   | (5,685)        | 6,497          |
| Increase (decrease) in other payables to related parties  | 29,045         | (8,491)        |
| Decrease in other current liabilities   | (5,516)        | (9,035)        |
| Decrease in net defined benefit liabilities   | (228)          | (165)          |
| Total changes in operating liabilities, net   | 120,898        | 309,538        |
| Total change in operating assets and liabilities  | 255,711        | 126,277        |
| Total adjustments   | 713,918        | 824,593        |
| Cash inflow generated from operations   | 799,914        | 676,491        |
| Interest received   | 6,347          | 8,696          |
| Interest paid   | (71,711)       | (86,944)       |
| Income tax refunded (paid)  | 40,353         | (8,640)        |
| <b>Net cash generated from operating activities</b>   | <b>774,903</b> | <b>589,603</b> |

**CASH FLOWS FROM INVESTING ACTIVITIES**

|  |                  |                  |
|--|------------------|------------------|
| Acquisition of financial assets at amortized cost                    | (37,155)         | -                |
| Proceeds from disposal of financial assets at amortized cost         | 48,783           | 214,292          |
| Acquisition of financial assets at fair value through profit or loss | (27,500)         | (17,400)         |
| Investments accounted for using the equity method                    | (3,424)          | (161,005)        |
| Acquisition of property, plant and equipment                         | (679,932)        | (191,651)        |
| Proceeds from disposal of property, plant and equipment              | 968              | 57               |
| Decrease in refundable deposits                                      | 1,909            | 258              |
| Increase in other receivables from related parties增加                 | -                | (126,914)        |
| Acquisition of intangible assets                                     | (13,370)         | (47,081)         |
| <b>Net cash used in investing activities</b>                         | <b>(709,721)</b> | <b>(329,444)</b> |

**CASH FLOWS FROM FINANCING ACTIVITIES**

|  |                   |                  |
|--|-------------------|------------------|
| Increase in short-term borrowings  | 6,360,000         | 8,391,000        |
| Decrease in short-term borrowings  | (6,575,000)       | (8,636,500)      |
| Repayment of bonds payable   | (1,200)           | (1,407,553)      |
| Proceeds from long-term borrowings   | 1,323,122         | 765,512          |
| Repayments of long-term borrowings   | (1,106,615)       | (180,935)        |
| Increase in guarantee deposits received  | 286               | 13               |
| Payments of lease liabilities  | (3,618)           | (3,252)          |
| Dividends paid to owners of the company  | -                 | (62,813)         |
| Issuance of new ordinary shares for cash   | -                 | 822,332          |
| Exercise of employee stock options   | -                 | 17,276           |
| Transfer of treasury shares to employees   | -                 | 14,627           |
| <b>Net cash used in financing activities</b>                                       | <b>(3,025)</b>    | <b>(280,293)</b> |
| Effects of exchange rate changes on the balance of cash held in foreign currencies | (2,889)           | (4,572)          |
| Increase (Decrease) in current cash and cash equivalents                           | 59,268            | (24,706)         |
| Cash and cash equivalents at beginning of period                                   | 440,404           | 465,110          |
| Cash and cash equivalents at end of period   | <b>\$ 499,672</b> | <b>440,404</b>   |

(Concluded)

**Dyaco International Inc.**  
**Earnings Distribution Table**  
**Year Ended December 31, 2024**

| Item   | Unit: NT\$<br>Amount |
|--|----------------------|
| <b>Net Income of 2024</b>  | 71,951,693           |
| Plus: Remeasurement of Defined Benefit Obligation<br>Recognized in Retained Earnings   | 717,810              |
| <b>Total Amount of After-Tax Net Income for 2024 and<br/>Other Items Adjusted to The Current Year's<br/>Undistributed Earnings</b> | 72,669,503           |
| Less: Appropriated Legal Reserves  | (7,266,950)          |
| Less: Appropriated Special Reserves  | 99,581,005           |
| <b>2024 Distributable Earnings</b>   | 164,983,558          |
| Plus: Unappropriated Earnings of Previous Years  | 100,963,448          |
| <b>Distributable Earnings as of December 31, 2024</b>  | 265,947,046          |
| Distributable Items:   |                      |
| Less: Dividends to Shareholders (NT\$0.5369649/per<br>share)   | (87,158,046)         |
| <b>Unappropriated Earnings</b>   | 178,789,000          |

Note 1: Earnings available for distribution by the end of 2024 shall be distributed first.

Note 2: The dividend distribution was calculated based on the number of 162,316,092 shares outstanding at the time of the Board of Directors' resolution on March 12, 2025. The actual dividend distribution rate was calculated based on the number of shares outstanding on the ex-dividend date.

Note 3: Pursuant to Article 25 of the Articles of Incorporation, the Company authorizes the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution by the Board of Directors, and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

**Dyaco International Inc.**  
**Comparison Table for Articles of Incorporation**

| After the Revision  | Before the Revision   | Description   |
|---|---|---|
| <p><b>Article 24</b></p> <p>In accordance with the current Articles of Incorporation, the Company shall distribute compensation(of which no less than 20% shall be allocated to grassroots employees) to employees at a rate not less than 1% of the current year's earnings and to directors at a rate not more than 5% of the current year's earnings, but shall make up for any accumulated losses of the Company. The aforementioned earnings for the year represent the current year's pre-tax earnings before distributions of compensation to employees and directors. The distribution of compensation to employees and directors shall be made by a resolution of the Board of Directors with the approval of a majority of the presenting directors with at least two-thirds of the directors presenting and shall be reported to the shareholders' meeting. Employee compensation may be in the form of stock or cash and may be paid to employees of the Company who meet certain criteria.</p> | <p><b>Article 24</b></p> <p>In accordance with the current Articles of Incorporation, the Company shall distribute compensation to employees at a rate not less than 1% of the current year's earnings and to directors at a rate not more than 5% of the current year's earnings, but shall make up for any accumulated losses of the Company. The aforementioned earnings for the year represent the current year's pre-tax earnings before distributions of compensation to employees and directors. The distribution of compensation to employees and directors shall be made by a resolution of the Board of Directors with the approval of a majority of the presenting directors with at least two-thirds of the directors presenting and shall be reported to the shareholders' meeting. Employee compensation may be in the form of stock or cash and may be paid to employees of the Company who meet certain criteria.</p> | <p>In Compliance with the Amendments to the Securities and Exchange Act</p> |
| <p><b>Article 28</b></p> <p>These Articles of Incorporation were agreed to and signed on May 29, 1990.</p> <p>The 1<sup>st</sup> Amendment was on November 30, 1990.</p> <p>The 2<sup>nd</sup> Amendment was on September 20, 1991.</p> <p>The 3<sup>rd</sup> Amendment was on May 1, 1993.</p> <p>The 4<sup>th</sup> Amendment was on March 7, 1999.</p> <p>The 5<sup>th</sup> Amendment was on April 30, 2007.</p> <p>The 6<sup>th</sup> Amendment was on January 24, 2008.</p> <p>The 7<sup>th</sup> Amendment was on May 26, 2008.</p> <p>The 8<sup>th</sup> Amendment was on September 26, 2008.</p> <p>The 9<sup>th</sup> Amendment was on October 26,</p>  | <p><b>Article 28</b></p> <p>These Articles of Incorporation were agreed to and signed on May 29, 1990.</p> <p>The 1<sup>st</sup> Amendment was on November 30, 1990.</p> <p>The 2<sup>nd</sup> Amendment was on September 20, 1991.</p> <p>The 3<sup>rd</sup> Amendment was on May 1, 1993.</p> <p>The 4<sup>th</sup> Amendment was on March 7, 1999.</p> <p>The 5<sup>th</sup> Amendment was on April 30, 2007.</p> <p>The 6<sup>th</sup> Amendment was on January 24, 2008.</p> <p>The 7<sup>th</sup> Amendment was on May 26, 2008.</p> <p>The 8<sup>th</sup> Amendment was on September 26, 2008.</p> <p>The 9<sup>th</sup> Amendment was on October 26,</p>  | <p>To adjust the revision date</p>  |

| After the Revision  | Before the Revision   | Description |
|---|---|-------------|
| <p>2009.</p> <p>The 10<sup>th</sup> Amendment was on June 23, 2011.</p> <p>The 11<sup>th</sup> Amendment was on July 22, 2011.</p> <p>The 12<sup>th</sup> Amendment was on June 5, 2012.</p> <p>The 13<sup>th</sup> Amendment was on October 18, 2012.</p> <p>The 14<sup>th</sup> Amendment was on August 8, 2013.</p> <p>The 15<sup>th</sup> Amendment was on June 26, 2015.</p> <p>The 16<sup>th</sup> Amendment was on June 29, 2016.</p> <p>The 17<sup>th</sup> Amendment was on May 26, 2017.</p> <p>The 18<sup>th</sup> Amendment was on May 30, 2019.</p> <p>The 19<sup>th</sup> Amendment was on May 28, 2020.</p> <p>The 20<sup>th</sup> Amendment was on May 27, 2022</p> <p>The 21<sup>th</sup> Amendment was on May 27, 2024</p> <p>The 22<sup>th</sup> Amendment was on May 28, 2025</p> | <p>2009.</p> <p>The 10<sup>th</sup> Amendment was on June 23, 2011.</p> <p>The 11<sup>th</sup> Amendment was on July 22, 2011.</p> <p>The 12<sup>th</sup> Amendment was on June 5, 2012.</p> <p>The 13<sup>th</sup> Amendment was on October 18, 2012.</p> <p>The 14<sup>th</sup> Amendment was on August 8, 2013.</p> <p>The 15<sup>th</sup> Amendment was on June 26, 2015.</p> <p>The 16<sup>th</sup> Amendment was on June 29, 2016.</p> <p>The 17<sup>th</sup> Amendment was on May 26, 2017.</p> <p>The 18<sup>th</sup> Amendment was on May 30, 2019.</p> <p>The 19<sup>th</sup> Amendment was on May 28, 2020.</p> <p>The 20<sup>th</sup> Amendment was on May 27, 2022.</p> <p>The 21<sup>th</sup> Amendment was on May 27, 2024</p> |             |