Stock code：1464

DE LICACY INDUSTRIAL CO., LTD.

Shareholders' Meeting in 2024

Meeting Agenda

Time： June 7, 2024

Location:No. 240, Sanshe, Xinshi Dist., Tainar

The type of the shareholders' meeting: Physical shareholders' meeting

DE LICACY INDUSTRIAL CO., LTD.

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DE LICACY INDUSTRIAL CO., LTD.
Meeting Agenda of Shareholders' meeting in 2024

Time：9:00 am on Friday, June 7, 2024

Location: No. 240, Sanshe, Xinshi Dist., Tainan City (The first floor of the company's employee activity center) Physical shareholders' meeting

Meeting procedure:

1. Start of the meeting (report on the number of shareholders present)
2. Chairman's Statement
3. Announcements
   (1).Report of the allocation of Directors' remuneration and Employee bonus stock in 2023
   (2).2023Annual Business Report
   (3).Report of the 2023final accounts reviewed by the Audit Committee
   (4).Report of investment in China
   (5).Report of the Company's endorsements and guarantees
4. Acknowledgement
   (1).2023 business report and proposals for ratification of individual financial statements and consolidated financial statements
   (2).Proposal for recognition of earnings distribution in 2023
5. Extraordinary motions
6. Adjournment

Announcements

Case 1:

Cause of action: Report of the allocation of Directors' remuneration and Employee remuneration in 2023.

Explanation: 1. According to the articles of incorporation of the Company: if the Company makes profits for the year, it shall allocate no less than 4% as employee remuneration, which shall be distributed in stock or cash by the resolution of the Board of Directors, and the payment shall be paid to employees of subsidiary companies who meet certain conditions; The above-mentioned opening profit amount shall be allocated not more than 3% as director's remuneration by the resolution of the Board of Directors.

2.The Company's 2023 profit was NT$115,542,906, 4% from which was allocated as employees' compensation as NT$4,621,716 and distributed in cash. 1.5% of 2023 profit was directors' compensation of NT$1,733,144 and net profit before tax was NT$109,188,046 after allocation.

3. The proposal has been reviewed and approved by the third meeting of the fifth Session of Compensation Committee on March 13, 2024 and passed by the resolution of the sixth meeting of the 18th Session on March 13, 2024.

Case 2：

Cause of action: 2023Annual Business Report

Explanation:

2023Annual Business Report

1.Business report of the previous year (2023)

(1) Implementation results of the business plan:

Unit: Thousand New Taiwan Dollars

Item \ Year	2023	2022	Increase (decrease) amount	The proportion of changes%
Net sales revenue	9,742,159	12,136,640	(2,394,481)	(19.73)
Other operating income	87,875	140,361	(52,486)	(37.39)
Total operating income	9,830,034	12,277,001	(2,446,967)	(19.93)
Operating cost	8,280,635	10,494,287	(2,213,652)	(21.09)
Operating margin	1,549,399	1,782,714	(233,315)	(13.09)
Realized operating margin	1,549,399	1,782,714	(233,315)	(13.09)
Marketing cost	549,580	703,478	(153,898)	(21.88)
Management cost	840,689	703,453	137,236	19.51
Research and development cost	201,169	207,769	(6,600)	(3.18)
Loss of expected credit impairment	41,723	19,130	22,593	118.10
Total operating costs	1,633,161	1,633,830	(669)	(0.04)
Other income and net expenses	(30,669)	(17,861)	(12,808)	71.71
Operating profit (net loss)	(114,431)	131,023	(245,454)	(187.34)
Total non-operating income and expenses	304,922	361,999	(57,077)	(15.77)
Net profit before tax (net loss)	190,491	493,022	(302,531)	(61.36)
Income tax expense (benefits)	74,581	86,790	(12,209)	(14.07)
Net profit (net loss) for the year	115,910	406,232	(290,322)	(71.47)
Other comprehensive profit and loss (net after tax)	(40,575)	245,934	(286,509)	(116.50)
Total comprehensive profit and loss for the year	75,335	652,166	(576,831)	(88.45)

Overview of production and sales:

① Production：The production of spun fabric in 2023 is 9,249 thousand yards, which was a negative growth of 35.11% compared to 2022's 14,253 thousand yards. Filament fabric is 111,982 thousand yards, which was a negative growth of

35.45% compared to 2022's 173,469 thousand yards.

② Sales：In 2023, the sales of spun fabric were 10,467 thousand yards, which was a negative growth of 26.60% compared to 2022's 14,261 thousand yards. Filament fabric was 107,204 thousand yards, an increase of 38.17% compared To 2022's 173,398 thousand yards.

(2) Budget execution status: Not applicable

(3) Analysis of financial income and expenditure and profitability:

Unit: %

Item			2023	2022
Financial structure	Debt-to-asset ratio（%）		63.18	68.82
	The ratio of long-term funds to fixed assets（%）		166.83	212.10
Solvency	Current ratio（%）		145.88	141.14
	Quick ratio（%）		69.99	75.88
	Interest coverage ratio		1.81	3.63
Profitability	Return on assets（%）		1.85	2.99
	Return on equity（%）		2.06	7.31
	Percentage of paid-in capital（%）	Business interest	(2.81)	3.41
		Net profit before tax	4.67	12.82
	Net profit rate（%）		1.18	3.31
	Earnings per share (NTD)		0.13	0.90

(4) R&D development status:

①.R&D expenses invested each year as of Mar 31, 2023 and recent years

	2023	The current year ends on March 31, 2024
Expense	201,169 thousand NTD	39,093thousand NTD
% Of turnover	2.05%	1.51%

②.Successfully developed products in 2023

(A) BI-MECH-STRETCH AIR TEXTURE YARN FABRIC
(B) NYLON MECH-STRETCH FABRIC
(C) FINE DENIER RECYCLE MECH-STRETCH COTTONY FABRIC
(D) MODAL RAYON / MECH-STRETCH COMPLEX FABRIC
(E) ACETATE AND RECYCLE POLYESTER BLEND FABRIC
(F) WOVEN SHERPA
(G) MONO-MATERIAL WATER BASED PET COATING
(H) SCHOELLER PFC-FREE 3XDRY
(I) 3-LAYER LAMINATION N10D、15D TRICOT.
(J) NYLON FILM 3-Layer Lamination

2.Summary of this year's business plan (2024)

The business policy in 2024 is mainly to develop environmentally friendly, functional and fashionable products that meet environmental requirements, and actively cooperate with upstream raw material manufacturers to develop new environmentally friendly materials and auxiliaries, and integrate our factory's false twist, weaving, dyeing and finishing processing and processing. Innovative technology for post-processing,

laminating, coating, and other equipment to enhance product quality and added value. Efforts to transform the production technology, in terms of spun fabric: 1. Production of filament YD cloth. 2. Fine count cotton fabric. 3. Produce new spun and filament blended fabric. Functional products that combine fashion, leisure and comfort. In terms of filament fabric: Focus on high-tech innovation, and produce functional products that are lighter, thinner, more flexible, comfortable, and environmentally friendly.

(1).Business policies and important production and sales policies:

①.Strengthen the interaction with brand customers, and directly cooperate with final buyers, increase business sales and single source stability, and actively grasp the main and potential customer groups. (Such as GOLF product, UNIFORM product, Casual product, anti-wear products、Environmental marine protection products)

②.The promotion of core products strengthens the control of the channels of garment factories.

Filament product：elastic sports cloth, soluble yarn, fleece。

Spun product：Elastic shirt cloth,flannel,Interlacing dyed cloth。

③.Deeply cultivate functional furnishing fabrics, clothing fabrics, SPORT fabrics and OUTDOOR fabrics. Furnishing fabrics focus on China, Northern Europe, and Italy, and focus on BVB yarn and woolen yarn. The clothing market focuses on the top brands in North America and Europe, with sports, casual and fashion and yoga.

④.Deeply cultivate existing distributors, enhance the development of new distributors (such as e-commerce brands), and expand the number of vast incoming orders.

⑤.Enhance R&D and innovation capabilities, strengthen product planning, improve quality and accelerate the development of differentiated products (especially in response to the exemption of garment tariffs from the seven ASEAN countries), and cultivate the rapid and flexible market response capabilities of business personnel and R&D personnel.

⑥.Commit to the research and development of leisure products and the expansion of the market in the field of sports and leisure, research and development of the latest materials such as: knitted elastic fabric, Tencel cotton feel processing silk, 、High elasticity and high recovery elastic processing yarn, and actively develop comfortable fabrics suitable for all environments such as work, leisure and sports.

⑦.Parallel with the world trend, abide by environmental regulations, and follow the lead to the sustainable environment: Pandemic has cultivated consumers with strong awareness and also made consumers pay more and more attention to the environmental sustainability of sports products.

⑧.The De Licacy factory in Vietnam mainly:

(1)With Vietnamese clothing manufacturers Strengthen cooperation with Vietnamese companies, supply Vietnamese materials to Vietnamese garment factories, with shortened delivery time and fast service as the largest niche;

(2) Technical cooperation with Japanese trading companies, the more Japanese companies send personnel to field technology & quality control, and the higher the level of follow-up Japanese customers have the same requirements.

(2).Expected sales quantity and its basis (the following expected sales volume is estimated by the business department based on the current economic situation):

Main product	Filament fabric	Spun fabric
Expected sales quantity this year	117,924 Thousand yards	11,514 Thousand yards

Chairman: Chia-Min Yeh Manager: Yi-Nung Yu Accounting Supervisor: Huang Hsiu-Fen

Case 3：

Cause of action: Report of the 2023final accounts reviewed by the Audit Committee.

Explanation: The 2023 Financial Report of the Company, been approved by the Board of Directors and audited by CPA, along with business report and the earnings distribution statement, were submitted for review by the audit committee and its review report was provided.

DE LICACY INDUSTRIAL CO., LTD.

Audit Committee Approval Report

The audit committee agreed and passed the resolutions of the Board of Directors of the Company's 2022 business report, financial statements, and earnings distribution, including financial statements (balance sheet, consolidated income statement, statement of changes in equity, cash flow statement) and consolidated financial statements. The report was issued by the Board of Directors of Deloitte Touche Tohmatsu Limited's accountants Liao Hung-Ju and Wang Teng Wei to audit the completion of the visa and an audit report of unmodified opinion was issued.

The Audit Committee is responsible for supervising the Company's financial reporting process.

The certified accountant visas the Company's 2023 financial statements and communicates with the audit committee on the following matters:

1. There are no major findings in the inspection scope and time planned by the certified public accountant.
2. The certified public accountant provided the audit committee with the personnel of the accounting firm's affiliated firm subject to independence regulations, and has complied with the statement of independence in the professional ethics of accountants, and has not found other relationships that may be considered to affect the independence of accountants and other matters.
3. The certified public accountant communicates with the audit committee on key audit matters, and the key audit matters that must be communicated in the audit report have been included in the audit report.

The Company's 2023 financial statements, business reports, and earnings distribution, approved by the audit committee and approved by the Board of Directors are in compliance with relevant laws and regulations. A report is prepared in accordance with Article 219 of the Company Act.

Please verify
Sincerely

DE LICACY INDUSTRIAL CO., LTD. 2024 shareholders' meeting

Independent director: Huang Junren

Mar 13, 2024

DE LICACY INDUSTRIAL CO., LTD.

Audit Committee Approval Report

The audit committee agreed and passed the resolutions of the Board of Directors of the Company's 2023 business report, financial statements, and earnings distribution, including financial statements (balance sheet, consolidated income statement, statement of changes in equity, cash flow statement) and consolidated financial statements. The report was issued by the Board of Directors of Deloitte Touche Tohmatsu Limited's accountants Liao Hung-Ju and Wang Teng Wei to audit the completion of the visa, an audit report of unmodified opinion was issued.

The Audit Committee is responsible for supervising the Company's financial reporting process.

The certified accountant visas the Company's 2023 financial statements and communicates with the audit committee on the following matters:

1. There are no major findings in the inspection scope and time planned by the certified public accountant.
2. The certified public accountant provided the audit committee with the personnel of the accounting firm's affiliated firm subject to independence regulations, and has complied with the statement of independence in the professional ethics of accountants, and has not found other relationships that may be considered to affect the independence of accountants and other matters.
3. The certified public accountant communicates with the audit committee on key audit matters, and the key audit matters that must be communicated in the audit report have been included in the audit report.

The Company's 2023 financial statements, business reports, and earnings distribution approved by the audit committee and approved by the Board of Directors are in compliance with relevant laws and regulations. A report is prepared in accordance with Article 219 of the Company Act.

Please verify
Sincerely

DE LICACY INDUSTRIAL CO., LTD. 2024 shareholders' meeting

Independent director: Su Baicheng

Mar 13, 2024

DE LICACY INDUSTRIAL CO., LTD.

Audit Committee Approval Report

The audit committee agreed and passed the resolutions of the Board of Directors of the Company's 2023 business report, financial statements, and earnings distribution, including financial statements (balance sheet, consolidated income statement, statement of changes in equity, cash flow statement) and consolidated financial statements. The report was issued by the Board of Directors of Deloitte Touche Tohmatsu Limited's accountants Liao Hung-Ju and Wang Teng Wei to audit the completion of the visa, an audit report of unmodified opinion was issued.

The Audit Committee is responsible for supervising the Company's financial reporting process.

The certified accountant visas the Company's 2023 financial statements and communicates with the audit committee on the following matters:

1. There are no major findings in the inspection scope and time planned by the certified public accountant.
2. The certified public accountant provided the audit committee with the personnel of the accounting firm's affiliated firm subject to independence regulations, and has complied with the statement of independence in the professional ethics of accountants, and has not found other relationships that may be considered to affect the independence of accountants and other matters.
3. The certified public accountant communicates with the audit committee on key audit matters, and the key audit matters that must be communicated in the audit report have been included in the audit report.

The Company's 2023 financial statements, business reports, and earnings distribution approved by the audit committee and approved by the Board of Directors are in compliance with relevant laws and regulations. A report is prepared in accordance with Article 219 of the Company Act.

Please verify
Sincerely

DE LICACY INDUSTRIAL CO., LTD. 2024 shareholders' meeting

Independent director: Huang Shih-ying

Mar 13, 2024

DE LICACY INDUSTRIAL CO., LTD.

Audit Committee Approval Report

The audit committee agreed and passed the resolutions of the Board of Directors of the Company's 2023 business report, financial statements, and earnings distribution, including financial statements (balance sheet, consolidated income statement, statement of changes in equity, cash flow statement) and consolidated financial statements. The report was issued by the Board of Directors of Deloitte Touche Tohmatsu Limited's accountants Liao Hung-Ju and Wang Teng Wei to audit the completion of the visa, an audit report of unmodified opinion was issued.

The Audit Committee is responsible for supervising the Company's financial reporting process.

The certified accountant visas the Company's 2023 financial statements and communicates with the audit committee on the following matters:

1. There are no major findings in the inspection scope and time planned by the certified public accountant.
2. The certified public accountant provided the audit committee with the personnel of the accounting firm's affiliated firm subject to independence regulations, and has complied with the statement of independence in the professional ethics of accountants, and has not found other relationships that may be considered to affect the independence of accountants and other matters.
3. The certified public accountant communicates with the audit committee on key audit matters, and the key audit matters that must be communicated in the audit report have been included in the audit report.

The Company's 2023 financial statements, business reports, and earnings distribution approved by the audit committee and approved by the Board of Directors are in compliance with relevant laws and regulations. A report is prepared in accordance with Article 219 of the Company Act.

Please verify
Sincerely

DE LICACY INDUSTRIAL CO., LTD. 2024 shareholders' meeting

Independent director: Tsai Li-ju

Mar 13, 2024

Case 4:

Cause of action: Report of investment in China, for your honor's approval.

Explanation: 1.Approved by the 19th meeting of the 14th session of the Board of Directors on January 16, 2014, participating in the investment and establishment of overseas companies and indirect investment in China, the relevant details of this investment case authorized the chairman to be within the limit of RMB$220 million to take full responsibility.

The description of this investment case is as follows:

(1) Investment method:

Vantage Gain Holdings Limited (Poly Group Corporation Ltd.) was acquired by De Licacy (Samoa) Holdings Co., a 100%-owned subsidiary of the Company, holding 73.33% of the shares. Vantage Gain Holdings Limited reinvested in PERFECT STEP INVESTMENTS LIMITED, holding 20% of the shares. PERFECT STEP INVESTMENTS LIMITED indirectly invested in De Licacy (Shanghai) Industrial Co., Ltd. through Shinyong International Co., Ltd., NEW HAO ENTERPRISE CO., LTD. and other legal entities,holding 100% of the shares.

(2) investment amount:

Investment funds remitted to PERFECT STEP INVESTMENTS LIMITED

USD 1,650,000 (NTD 49,597,350) invested on June 20, 2014
USD 1,629,850 (NTD 48,732,515) invested on September 9, 2014
USD 3,572,400 (NTD 113,548,734) invested on December 24, 2014
USD 360,000 (NTD 11,435,400) invested on October 20, 2016
USD 356,575 (NTD 10,777,479) invested on August 7, 2017
USD 350,212 (NTD 10,712,985) invested on September 27, 2018
USD 440,000 (NTD 13,649,240) invested on September 23, 2019
USD 285,800 (NTD 8,609,725) invested on December 30, 2019
USD 217,200 (NTD 6,375,037) invested on September 9, 2020
USD 1,199,660 (NTD 34,082,341) invested on January 27, 2021
USD 547,400 (NTD 15,204,035) invested on September 9, 2021
USD 296,800(NTD 8,843,156) invested on June 17, 2022
USD 2,321,600 (NTD 69,555,136) invested on July 25, 2022

(3) This case was approved in principle by the No. 10400285270 Letter of Shen Er Zi No. 10400285270 on March 30, 2016 by the Investment Review Committee of the Ministry of Economic Affairs.

2.On March 15, 2021, the Sixth Session of the Seventeenth Board of Directors tentatively agreed that De Licacy (Samoa) Holdings Co., LTD., a subsidiary of the Company's capital increase, would reinvest in BEST ALLIANCE INTERNATIONAL LIMITED, and then invest in Jiangsu Province, China, and set up APEX (NANTONG) TEXTILE CO., LTD. This investment case is a new investment case due to Hangzhou DE LICACY INDUSTRIAL CO., LTD. and Zhejiang LUCKY UNIQUE ENT. CO., LTD.’s proposed demolition, relocation or name

change. The relevant details of this investment case authorize the chairman to full processing within the USD 60 million quota.

The description of this investment case is as follows:

(1) Approved for Recordation as per August 27, 2021, MOEA Shen-Er-Zi Letter No. 11000129360 of the Investment Commission, Ministry of Economic Affairs.

Investment Method:

The subsidiary by increased capital of 100% shareholding of the Company, De Licacy (Samoa) Holdings Co., LTD., reinvested in BEST ALLIANCEINTERNATIONAL LIMITED, and then reinvested in APEX (NANTONG) TEXTILE CO., LTD.

Investment amount:

USD 5,000,000 (NTD 138,875,000) invested on December 3, 2021
USD 10,000,000 (NTD299,880,000) invested on July 19, 2022

(2) Approved for Recordation as per November 3, 2022, MOEA Shen-Er-Zi Letter No. 11100151020 of the Investment Commission, Ministry of Economic Affairs.

Investment Method:
The subsidiary by increased capital of 100% shareholding of the Company, De Licacy (Samoa) Holdings Co., LTD., reinvested in BEST ALLIANCEINTERNATIONAL LIMITED, and then reinvested in APEX (NANTONG) TEXTILE CO., LTD.

Investment amount:
USD10,000,000 (NTD306,900,000) invested on December 12, 2022

(3) Approved for Recordation as per February 13, 2023, MOEA Shen-Er-Zi Letter No. 11200007510 of the Investment Commission, Ministry of Economic Affairs.
Investment Method:
The relocation compensation amount of US$20,000,000 from Hangzhou De Licacy Textile Co., Ltd. was indirectly invested. Apex (Nantong) Textile Co., Ltd.
Investment amount:
USD 5,000,000 (NTD153,175,000) invested on May 16，2023
USD 5,000,000 (NTD153,925,000) invested on June 08，2023
USD 5,000,000 (NTD159,625,000) invested on September 26，2023

Case 5:

Cause of action: Report of the Company's endorsements and guarantees, for your honor's approval.

Explanation: 1. As of Mar 31, 2024, the Company's overview of the endorsement guarantee:

(1) Objects of endorsement guarantee： CHADTEX INDUSTRIAL CO., LTD. is a55.06%-owned subsidiary; DE SHEN(CAYMAN) HOLDINGS CO., LTD., Hong Kong EDEN ROAD INTERNATIONAL LTD., DE-FA INTERNATIONAL INDUSTRIAL CO., LTD., New Lake CO., Ltd. ., Vietnam DE LICACY INDUSTRIAL CO., LTD and APEX (NANTONG) TEXTILE CO.,LTD.. are 100%- owned subsidiaries.

(2) The total amount of endorsement guarantee : NTD4,813,080 thousand.

(3) Purpose of endorsement guarantee: to provide endorsement guarantee for subsidiary loans.

(4) Based on the net value of the financial statements on December 31, 2023, the total limit of the Company's external endorsement guarantee and the limitof the single company's endorsement guarantee is NT$7,507,516 thousand and NT$2,502,505 thousand, respectively. The Company's endorsement guarantees are handled in accordance with the "Endorsement Guarantee Operation Procedures", and there is no case that exceeds the prescribed limit.

Item	The name of the Company endorsed	Endorsement guarantee amount (New Taiwan Dollar in Thousand)
1	CHADTEX INDUSTRIAL CO., LTD.	135,000
2	De Shen (Cayman) Holding Co., Ltd.	1,088,000
3	DE-FA INTERNATIONAL INDUSTRIAL CO., LTD.	50,000
4	New Lake Co., Ltd.	192,000
5	Vietnam DE LICACY INDUSTRIAL CO., LTD.	1,989,000
6	Hong Kong EDEN ROAD INTERNATIONAL LTD.	208,000
7	APEX (NANTIONG) TEXTILE CO.,LTD	1,151,080
	Total	4,813,080

2.The Company is the operating headquarters of the group. In recent years, with the rise of sports trends, the momentum for related customers to place orders has increased. With the development of business and the continuous expansion of revenue scale, the capital required for operations has increased relatively. The Company's share

capital is only NTD$ 4.07 billion. With limited self-owned funds, it is necessary to borrow from the bank to meet the funding needs of daily operations and purchase of materials. However, if all subsidiaries of the group need to raise funds from financial institutions for working capital, the Company shall be responsible for joint guarantees, so that they can apply for short-term financing lines from banks. In anticipation that the funds required for future operations will continue to rise, the Company will continue to provide Bank financing and borrowing methods to meet the required funds.

3. As of Mar 31, 2024, the subsidiary has no endorsement guarantee.

Acknowledgement

Case 1: Board of Directors

Cause of action: According to the Company's 2023 business report and individual financial statements and consolidated financial statements, please acknowledge it.

Explanation: 1. The Company's 2023 financial statements were approved by the Board of Directors and completed after the accountant's review. Together with the business report and statements of deficit compensated, they were sent to the audit committee for review and a review report was submitted.

2. For the 2023business report, please refer to pages 2 to 5 of this meeting handbook, and for the accountant's audit report and financial statements, please refer to pages 15 to 34 of this meeting handbook.

Resolution:

Independent Auditor's Report

Dear the Board of Directors and Shareholders of De Licacy Industrial Co., Ltd.

Opinion

We have audited the accompanying financial statements of De Licacy Industrial Co., Ltd. (the "Company"), which comprise the parent company only balance sheets as of December 31, 2023 and 2022, and the parent company only statements of comprehensive income, parent company only statements of changes in equity and parent company only statements of cash flows for the years then ended, and the notes to the parent company only financial statements Individual statements , including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis of Opinion

We conducted our audits entrusted by the Company in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards. 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 Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the ROC, 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 Matter

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, 2023. 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 of the key audit matter of the 2023 parent company only financial statements of the Company are as follows:

Authenticity of revenue recognition

Whether the Company's operating revenue from specific customers occur that has a significant impact on the financial statement of the year ended December 31, 2023. It is considered that the revenue recognition inherently carries a higher risk of fraud and the management may be under pressure to achieve expected financial goals. The authenticity of revenue recognition from specific customers is listed as a key audit item. Please refer to the Parent company only financial statements Note 4(11) for the explanation of revenue recognition policy.

The accountants had performed major auditing procedures to the sales revenue from specific customers, which are as follows:

1. Understand and test the effectiveness of the design and implementation of the internal sales cycle control system.
2. Select samples from the sales details of the above-mentioned specific customers, verify their purchase orders, pro forma invoices, export declarations and other relevant documents to confirm whether the control rights of the goods had been truly transferred and the obligations had been performed, and check whether the sales objects and the payers were consistent to confirm the authenticity of the sales revenue.

Management's and Governance's Responsibility for the Individual Financial Statments

Management's responsibility is to prepare parent company only financial statements in conformity with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, and Interpretations and Interpretations issued by the Financial Supervisory Commission, and to maintain such internal control relevant to the

preparation of parent company only financial statements as is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management's responsibility also includes assessing the ability of the Company to continue as a going concern, the disclosure of related matters, and the adoption of the going concern basis of accounting, unless management intends to liquidate the Company or cease operations, or there is no practical alternative to liquidation or discontinuation of operations.

The governance unit (Audit Committee) of the Company has the responsibility for overseeing the financial reporting process.

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 auditing standards 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 performed in accordance with auditing standards, we exercise professional judgment and professional skepticism throughout the audit. We are also:

1. 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.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 Company to cease to continue as a going concern.
5. 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.
6. We have obtained sufficient and appropriate auditing evidence of the financial information of the constituted entities of the Company to express our opinions on the parent company only financial statements. We are responsible for the guidance, supervision and execution of the Company's audits and we are responsible for providing auditing opinions with the Company.

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 2023 financial statements 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.

Deloitte Touche Tohmatsu, Inc.

CPA: Hong-Ru Liao

CPA: Teng-Wei Wang

Financial Supervisory Commission Authorized
No. :Jin-Guan-Certificate No. 0990031652

Financial Supervisory Commission Authorized
No. :Jin-Guan-Certificate No. 1100356048

Date: March 13, 2024

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 ROC and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally applied in the ROC

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 ROC. 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.

De Licacy Industrial Co., Ltd.
Parent Company Only Balance Sheets
The Years Ended December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

Code	Assets	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current assets				
1100	Cash (Note 4 and 6)	$ 321,115	3	$ 166,036	1
1110	Financial assets at fair value through profit or loss-current (Note 4 and 7)	13,826	-	34,370	-
1121	Financial assets at fair value through other comprehensive income-current (Note 4 and 8)	302	-	1,112	-
1136	Financial assets at amortized cost-current (Note 4, 9 and 32)	801,074	7	1,400,045	10
1150	Notes receivable (Note 4, 10 and 24)	15,199	-	22,902	-
1160	Notes receivable-related parties (Note 4, 10, 24 and 31)	29,985	-	47,182	1
1170	Net accounts receivable (Note 4, 10 and 24)	330,652	3	463,133	3
1180	Accounts receivable-related parties (Note 4, 10, 24 and 31)	123,791	1	52,738	1
1200	Other receivables (Note 4)	1,518	-	2,972	-
1210	Other receivables-related parties (Note 4 and 31)	7,499	-	20,410	-
1220	Current income tax assets (Note 4 and 26)	3,112	-	5,674	-
130X	Inventory (Note 4 and 11)	1,431,596	12	1,745,281	12
1410	Prepayments (Note 15)	44,016	-	29,752	-
1470	Other current assets (Note 16)	24,244	-	45,340	-
11XX	Total current assets	3,147,929	26	4,036,947	28
	Non-current assets				
1517	Financial assets at fair value through other comprehensive income-non-current (Note 4 and 8)	-	-	20,846	-
1535	Financial assets at amortized cost-non-current (Note 4, 9 and 32)	14,079	-	1,294,524	9
1550	Investments accounted for using equity method (Note 4 and 12)	7,738,757	65	7,871,400	55
1600	Property, plant and equipment (Note 4, 13, 31 and 32)	765,912	7	831,128	6
1755	Right-of-use assets (Note 4, 14, and 31)	12,627	-	110,291	1
1840	Deferred tax assets (Note 4 and 26)	155,325	2	191,405	1
1920	Refundable deposits (Note 4)	10,186	-	11,862	-
1915	Prepayment for equipment	2,304	-	16,336	-
1975	Net confirmed welfare assets (Note 4 and 22)	32,706	-	28,188	-
15XX	Total non-current assets	8,731,896	74	10,375,980	72
1XXX	Total assets	$ 11,879,825	100	$ 14,412,927	100

Code	Liabilities and Equity				
	Current liabilities				
2100	Short-term loans (Note 17 and 32)	$ 2,158,228	18	$ 2,897,322	20
2110	Short-term notes payable (Note 17)	559,423	5	709,621	5
2120	Financial liabilities measured at fair value through profit or loss-current (Note 4 and 7)	8,919	-	-	-
2150	Notes payable (Note 18)	106,709	1	125,469	1
2160	Notes payable-related parties (Note 31)	53,591	1	77,602	-
2170	Accounts payable (Note 18)	55,580	1	97,836	1
2180	Accounts payable-related parties (Note 31)	97,853	1	304,244	2
2200	Other payables (Note 19)	166,856	1	236,074	2
2220	Other payables-related parties (Note 31)	685,010	6	262,314	2
2230	Current tax liabilities (Note 4 and 26)	-	-	2,557	-
2280	Lease liabilities-current (Note 4, 14, and 31)	10,340	-	55,501	-
2313	Deferred income-current (Note 4 and 20)	6,312	-	1,359	-
2322	Long-term loans due within one year (Note 17 and 32)	622,838	5	276,741	2
2365	Refund liabilities-current (Note 21)	4,678	-	4,340	-
2399	Other current liabilities	42,468	-	60,002	-
21XX	Total current liabilities	4,578,805	39	5,110,982	35
	Non-current liabilities				
2541	Long-term bank loans (Note 17 and 32)	2,246,420	19	4,020,027	28
2570	Deferred tax liabilities (Note 4 and 26)	26,715	-	46,204	-
2580	Lease liabilities-non-current (Note 4, 14, and 31)	2,438	-	54,925	1
2630	Deferred income-non-current (Note 4 and 20)	10,228	-	4,474	-
2645	Deposits received	10,208	-	7,201	-
25XX	Total non-current liabilities	2,296,009	19	4,132,831	29
2XXX	Total liabilities	6,874,814	58	9,243,813	64
	Equity (Note 23)				
3110	Common stocks	4,076,396	34	3,845,657	27
3200	Capital surplus	581,654	5	581,654	4
	Retained earnings				
3310	Legal reserve	176,258	1	138,909	1
3320	Special reserve	327,892	3	557,298	4
3350	Unappropriated retained earnings	255,333	2	373,488	2
3300	Total retained earnings	759,483	6	1,069,695	7
3400	Other equity	(412,522)	(3)	(327,892)	(2)
3XXX	Total equity	5,005,011	42	5,169,114	36
	Total liabilities and equity	$ 11,879,825	100	$ 14,412,927	100

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

Chairman: Chia-Min Yeh Manager: Yi-Nung Yu Accounting Supervisor: Hsiu-Feng Huang

De Licacy Industrial Co., Ltd.
Parent Company Only Statements of Comprehensive Income
For the Years Ended December 31, 2023 and 2022

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

Code		2023 Amount	2023 %	2022 Amount	2022 %
	Operating revenue (Note 4, 24 and 31)				
4100	Net sales revenue	$ 3,596,763	99	$ 4,332,636	99
4800	Other operating revenue	33,445	1	24,379	1
4000	Total operating revenue	3,630,208	100	4,357,015	100
	Operating costs (Note 11, 22, 25 and 31)				
5110	Cost of goods sold	3,287,434	91	3,969,442	91
5900	Gross profit	342,774	9	387,573	9
5910	Unrealized losses of subsidiaries and associates (Note 4)	6,361	-	6,361	-
5920	Realized losses of subsidiaries and associates (Note 4)	(6,361)	-	(6,364)	-
5950	Gross realized operating revenue	342,774	9	387,570	9
	Operating expenses (Note 10, 22, 25 and 31)				
6100	Marketing expenses	171,091	5	281,424	6
6200	General and administrative expenses	110,798	3	166,463	4
6300	Research and development expenses	102,387	3	103,425	2
6450	Expected credit loss	22,709	-	22,339	1
6000	Total operating expenses	406,985	11	573,651	13
6500	Net other income and expenses (Note 25 and 31)	(5,365)	-	1,815	-
6900	Net operating loss	(69,576)	(2)	(184,266)	(4)
	Non-operating revenue and expenses (Note 4, 7, 25 and 31)				
7100	Interest income	82,005	2	31,427	1
7010	Other income	114,905	3	64,328	1
7020	Other gains and losses	21,129	1	374,551	9
7050	Finance costs	(132,020)	(4)	(107,623)	(3)
7070	Share of profit or loss of subsidiaries and associates accounted for using equity method	92,745	3	217,897	5
7000	Total non-operating revenue and expenses	178,764	5	580,580	13
7900	Net profit before tax	109,188	3	396,314	9

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Code		2023 Amount	2023 %	2022 Amount	2022 %
7950	Income tax expenses (Note 4 and 26)	$ 56,560	1	$ 29,256	-
8200	Net profit for the year	52,628	2	367,058	9
	Other comprehensive income, net				
8310	Items not reclassified to profit or loss:				
8311	Determine the remeasurement of the benefit plan (Note 22)	755	-	6,278	-
8316	Unrealized appraisal gains and losses of equity instrument investments measured at fair value through other comprehensive income (Note 23)	4,809	-	(9,288)	-
8331	Remeasurements of confirmed welfare plans of subsidiaries and associates accounted for using equity method	309	-	2,083	-
8336	Unrealized gains or losses of subsidiaries and associates measured at fair value through other comprehensive income accounted for using equity method (Note 23)	35,816	1	(30,040)	(1)
8349	Income tax related to items not reclassified (Note 26)	(151)	-	(1,256)	-
		41,538	1	(32,223)	(1)
	Items that may be reclassified to profit or loss in the future:				
8361	Exchange differences on conversion of financial statements of foreign operations (Note 23)	(142,325)	(4)	326,307	8
8380	Share of other comprehensive income of subsidiaries and associates accounted for using equity method (Note 23)	9,416	-	6,540	-
8399	Income tax related to items that may be reclassified (Note 23 and 26)	28,465	1	(67,705)	(2)
8360		(104,444)	(3)	265,142	6
8300	Total other comprehensive income for the year (net after tax)	(62,906)	(2)	232,919	5
8500	Total comprehensive income for the year	($ 10,278)	-	$ 599,977	14
	Earnings per share (Note 27)				
9710	Basic	$ 0.13		$ 0.90	
9810	Diluted	$ 0.13		$ 0.90	

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

Chairman: Chia-Min Yeh Manager: Yi-Nung Yu Accounting Supervisor: Hsiu-Feng Huang

De Licacy Industrial Co., Ltd.

Parent Company Only Statements of Changes in Equity

For the Years Ended December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

(Except Dividends Per Share)

				Retained earnings			Other equity			
Code		Common stocks	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on conversion of financial statements of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income	Total	Grand total
A1	Balance on 1 January 2022	$ 3,845,657	$ 676,850	$ 121,649	$ 401,956	$ 172,602	($ 572,021)	$ 7,744	($ 564,277)	$ 4,654,437
	Appropriations of 2021 earnings (Note 23)									
B1	Legal reserve	-	-	17,260	-	(17,260)	-	-	-	-
B3	Special reserve	-	-	-	155,342	(155,342)	-	-	-	-
C7	Changes in equity of investment in associates accounted for using equity method	-	946	-	-	(153)	-	-	-	793
C15	Cash dividends from capital surplus to shareholders－$0.25 per share(Note 23)	-	(96,142)	-	-	-	-	-	-	(96,142)
D1	Net income for the year ended December 31, 2022	-	-	-	-	367,058	-	-	-	367,058
D3	Other comprehensive profit (loss) after tax for the year ended December 31, 2022	-	-	-	-	7,105	265,142	(39,328)	225,814	232,919
D5	Total comprehensive profit (loss) after tax for the year ended December 31, 2022	-	-	-	-	374,163	265,142	(39,328)	225,814	599,977
M3	Disposal of subsidiaries (Note 23)	-	-	-	-	-	12,218	-	12,218	12,218
M7	Changes in ownership of subsidiaries	-	-	-	-	(2,169)	-	-	-	(2,169)
Q1	Disposal of equity instruments at fair value through other comprehensive income (Note 23)	-	-	-	-	1,647	-	(1,647)	(1,647)	-
Z1	Balance on December 31, 2022	3,845,657	581,654	138,909	557,298	373,488	(294,661)	(33,231)	(327,892)	5,169,114
	Appropriations of 2022 earnings (Note 23)									
B1	Legal reserve	-	-	37,349	-	(37,349)	-	-	-	-
B3	Special reserve	-	-	-	(229,406)	229,406	-	-	-	-
B5	Stock dividends to shareholders of the Company – $0.4 per share	230,739	-	-	-	(230,739)	-	-	-	-
B9	Cash dividends to shareholders of the Company – $0.6 per share	-	-	-	-	(153,826)	-	-	-	(153,826)
C7	Changes in equity of investment in associates accounted for using equity method	-	-	-	-	1	-	-	-	1
D1	Net income for the year ended December 31, 2023	-	-	-	-	52,628	-	-	-	52,628
D3	Other comprehensive profit (loss) after tax for the year ended December 31, 2023	-	-	-	-	913	(104,444)	40,625	(63,819)	(62,906)
D5	Total comprehensive profit (loss) after tax for the year ended December 31, 2023	-	-	-	-	53,541	(104,444)	40,625	(63,819)	(10,278)
Q1	Disposal of equity instruments at fair value through other comprehensive income (Note 23)	-	-	-	-	20,811	-	(20,811)	(20,811)	-
Z1	Balance on December 31, 2023	$ 4,076,396	$ 581,654	$ 176,258	$ 327,892	$ 255,333	($ 399,105)	($ 13,417)	($ 412,522)	$ 5,005,011

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

Chairman: Chia-Min Yeh　　Manager: Yi-Nung Yu　　Accounting Supervisor: Hsiu-Feng Huang

De Licacy Industrial Co., Ltd.

Parent Company Only Statements of Cash Flows

For the Years Ended December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

Code		2023	2022
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Income before tax	$ 109,188	$ 396,314
	Adjustments for:		
A20010	Revenues/Expenses		
A20100	Depreciation	156,491	132,519
A20300	Expected credit loss	22,709	22,339
A20400	Net loss (gain) on financial assets and liabilities at fair value through profit or loss	14,415	(2,821)
A20900	Finance costs	132,020	107,623
A21200	Interest income	(82,005)	(31,427)
A21300	Dividend income	(60)	(210)
A22300	Share of profit or loss of subsidiaries and associates accounted for using equity method	(92,745)	(217,897)
A22500	Loss (gain) on disposal of property, plant and equipment	5,365	(1,815)
A23700	Inventory valuation and obsolescence losses	-	122,283
A23900	Unrealized losses of subsidiaries and associates	(6,361)	(6,361)
A24000	Realized losses of subsidiaries and associates	6,361	6,364
A24100	Unrealized foreign exchange losses (profits)	85,922	(288,838)
A24500	Gains from lease amendment	(4,187)	-
A29900	Allowance for refund liability	338	1,496
A30000	Changes in operating assets and liabilities		
A31130	Notes receivable	7,703	70,071
A31140	Notes receivable-related parties	17,197	5,792
A31150	Accounts receivable	109,772	(12,418)
A31160	Accounts receivable-related parties	(71,053)	35,855
A31180	Other receivables	2,233	12,501
A31190	Other receivables-related parties	12,911	(91)
A31200	Inventory	313,685	(298,617)
A31230	Prepayments	(14,264)	7,656
A31240	Other current assets	21,096	(411)
A32130	Notes payable	(24,127)	(9,565)
A32140	Notes payable-related parties	(24,011)	20,315
A32150	Accounts payable	(42,256)	(13,075)
A32160	Accounts payable-related parties	(206,391)	160,110
A32180	Other payables	(68,886)	65,655
A32190	Other payables-related parties	(10,086)	(21,533)
A32210	Deferred income-current and non-current	10,707	(589)
A32230	Other current liabilities	(17,534)	(566)
A32240	Net defined benefit assets-non-current	(3,763)	(10,387)
A33000	Cash generated from operations	360,384	250,272
A33100	Interest received	82,005	33,527
A33200	Dividends received	46,075	5,849
A33300	Interest paid	(132,710)	(104,317)
A33500	Income tax paid	(11,650)	(38)
AAAA	Net cash generated from operating activities	344,104	185,293

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Code		2023	2022
	Cash flow from investing activities		
B00040	Acquisition of financial assets at amortized cost	($ 4,865,378)	($ 9,232,853)
B00060	Financial assets at amortized cost repayment of principal upon maturity	6,643,003	9,916,760
B00100	Acquisition of financial assets at fair value through profit or loss	(11,071)	(22,755)
B00200	Disposal of financial assets at fair value through profit or loss	26,119	-
B00020	Sales of financial assets at fair value through other comprehensive income	25,686	-
B01800	Acquisition of investments accounted for using equity method	-	(32,778)
B02400	Refund of paid-up capital from capital reduction of subsidiaries	82,590	157,350
B02700	Acquisition of property, plant and equipment	(31,598)	(109,826)
B02800	Proceeds from disposal of property, plant and equipment	10,434	2,018
B03700	Increase in refundable deposits	(57)	(1,800)
B03800	Decrease in refundable deposits	1,733	226
B04300	Increase in other receivables-related parties	(80,000)	(211,244)
B04400	Decrease in other receivables-related parties	80,000	371,788
B07100	Increase in prepayment for equipment	(2,205)	(16,236)
BBBB	Net cash generated from investing activities	1,879,256	820,650
	Cash flows from financing		
C00100	Increase in short-term loans	14,071,331	17,076,796
C00200	Decrease in short-term loans	(14,810,425)	(18,219,127)
C00500	Increase in short-term notes payable	16,476,442	9,478,746
C00600	Decrease in short-term notes payable	(16,626,640)	(9,478,636)
C01600	Payments of finance lease liabilities	3,375,000	3,950,000
C01700	Repayment of long-term debt	(4,801,552)	(3,697,997)
C03000	Increase in deposits received	22,638	5,652
C03100	Decrease in deposits received	(19,631)	(229)
C03700	Increase in other payables-related parties	800,135	245,680
C03800	Decrease in other payables-related parties	(354,435)	-
C04020	Repayment of the principal portion of lease liabilities	(47,318)	(14,398)
C04500	Cash dividends	(153,826)	(96,142)
C05400	Acquisition of subsidiaries equity	-	(308,819)
CCCC	Net cash generated from (used in) financing activities	(2,068,281)	(1,058,474)
EEEE	NET INCREASE (DECREASE) IN CASH	155,079	(52,531)
E00100	CASH AT THE BEGINNING OF THE YEAR	166,036	218,567
E00200	CASH AT THE END OF THE YEAR	$ 321,115	$ 166,036

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

Chairman: Chia-Min Yeh Manager: Yi-Nung Yu Accounting Supervisor: Hsiu-Feng Huang

Independent Auditors' Report

Dear the Board of Directors and Shareholders of De Licacy Industrial Co., Ltd.

Opinion

We have audited the accompanying financial statements of De Licacy Industrial Co., Ltd and its subsidiaries (the "De Licacy Group"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the De Licacy Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards ("IFRS"), International Accounting Standards ("IAS"), Interpretations of IFRS ("IFRIC"), and Interpretations of IAS ("SIC") endorsed by the Financial Supervisory Commission ("FSC") of Taiwan, the Republic of China ("ROC").

Basis of Opinion

We conducted our audits entrusted by the Group in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the De Licacy Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the ROC, 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 Matter

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, 2023. 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 of the key audit matter of the 2023 consolidated financial statements of the De Licacy Group are as follows:

Authenticity of revenue recognition

Whether the De Licacy Group's operating revenue from specific customers occur that has a significant impact on the financial statement of the year ended December 31, 2022. It is considering that the revenue recognition inherently carries a higher risk of fraud and the management may be under pressure to achieve expected financial goals. The authenticity of revenue recognition from specific customers is listed as a key audit item. Please refer to the Consolidated Financial Report Note 4(14) for the explanation of revenue recognition policy.

The accountants had performed major auditing procedures to the sales revenue from specific customers, which are as follows:

1. Understand and test the effectiveness of the design and implementation of the internal sales cycle control system.
2. Select samples from the sales details of the above-mentioned specific customers, verify their purchase orders, pro forma invoices, export declarations and other relevant documents to confirm whether the control rights of the goods had been truly transferred and the obligations had been performed, and check whether the sales objects and the payers were consistent to confirm the authenticity of the sales revenue.

Other Matters

De Licacy Industrial Co., Ltd. has prepared its individual financial statements for the years ended December 31, 2023 and 2022, and we have issued unqualified audit reports.

Management's and Governance's Responsibility for the Consolidated Financial Statements

Management's responsibility is to prepare consolidated financial statements in conformity with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, and Interpretations and Interpretations issued by the Financial Supervisory Commission, and to maintain such internal control relevant to the preparation of consolidated financial statements as 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's responsibility also includes assessing the ability of the Group to continue as a going concern, the disclosure of related matters, and the adoption of the going concern basis of accounting, unless management intends to liquidate the Group or cease operations, or there is no practical alternative to liquidation or discontinuation of operations.

The governance unit (Audit Committee) of the Group has the responsibility for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of the 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 auditing standards 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 performed in accordance with auditing standards, we exercise professional judgment and professional skepticism throughout the audit. We are 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 Corporation'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 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. We have obtained sufficient and appropriate auditing evidence of the financial information of the constituent entities of the Group to express our opinions on the consolidated financial statements. We are responsible for the guidance, supervision and execution of the Group's audits and we are responsible for providing auditing opinions with the Group.

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 2023 financial statements 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.

Deloitte Touche Tohmatsu, Inc.

CPA: Hong-Ru Liao

CPA: Teng-Wei Wang

Financial Supervisory Commission Authorized
No. :Jin-Guan-Certificate No. 0990031652

Financial Supervisory Commission Authorized
No. :Jin-Guan-Certificate No. 1100356048

Date: March 13, 2024

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 ROC and not those of any other jurisdictions. The standards,procedures and practices to audit such financial statements are those generally applied in the ROC

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 ROC. 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.

De Licacy Industrial Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
The Years Ended December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

Code	Assets	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current assets				
1100	Cash and cash equivalents (Note 4 and 6)	$ 989,952	7	$ 1,351,927	7
1110	Financial assets at fair value through profit or loss-current (Note 4 and 7)	17,538	-	38,099	-
1120	Financial assets at fair value through other comprehensive income-current (Note 4, 8 and 35)	188,663	1	172,656	1
1136	Financial assets at amortized cost-current (Note 4, 9 and 35)	1,044,198	7	1,703,099	9
1150	Notes receivable (Note 4, 10 and 26)	54,882	-	78,635	-
1160	Notes receivable-related parties (Note 4, 10, 26 and 34)	34,832	-	51,350	-
1170	Net accounts receivable (Note 4, 10 and 26)	1,324,667	9	1,585,185	9
1180	Accounts receivable-net number of related parties (Note 4, 10, 26 and 34)	35,731	-	85,457	1
1200	Other receivables (Note 4 and 10)	59,852	-	110,606	1
1210	Other receivables-related parties (Note 4, 10, and 34)	37,248	-	168,133	1
1220	Current income tax assets (Note 4 and 28)	3,342	-	6,313	-
130X	Inventory (Note 4 and 11)	3,250,473	22	3,838,511	21
1410	Prepayments (Note 17 and 34)	186,649	1	246,908	1
1479	Other current assets (Note 18)	673,340	5	517,398	3
11XX	Total current assets	7,901,367	52	9,954,277	54
	Non-current assets				
1517	Financial assets at fair value through other comprehensive income-non-current (Note 4 and 8)	-	-	77,173	1
1535	Financial assets at amortized cost-non-current (Note 4, 9 and 35)	14,079	-	1,514,994	8
1550	Investments accounted for using equity method (Note 4 and 13)	925,271	6	979,759	6
1600	Property, plant and equipment (Note 4, 14, 34 and 35)	5,558,799	37	4,933,403	27
1755	Right-of-use assets (Note 4, 15, 34, and 35)	378,861	3	471,882	3
1760	Investment properties (Note 4, 16 and 35)	55,445	1	61,694	-
1805	Goodwill (Note 4)	12,996	-	12,996	-
1821	Other intangible assets (Note 4)	13,737	-	12,203	-
1840	Deferred tax assets (Note 4 and 28)	178,937	1	222,414	1
1920	Refundable deposits (Note 4)	27,776	-	29,461	-
1975	Net defined benefit assets-non-current (Note 4 and 24)	24,964	-	20,322	-
1990	Other non-current assets (Note 18)	5,660	-	42,600	-
15XX	Total non-current assets	7,196,525	48	8,378,901	46
1XXX	Total assets	$ 15,097,892	100	$ 18,333,178	100

Code	Liabilities and Equity				
	Current liabilities				
2100	Short-term loans (Note 19 and 35)	$ 2,815,784	19	$ 4,298,007	23
2110	Short-term notes payable (Note 19)	589,406	4	739,506	4
2120	Financial liabilities measured at fair value through profit or loss-current (Note 4 and 7)	8,919	-	-	-
2150	Notes payable (Note 20)	108,849	1	145,004	1
2160	Notes payable-related parties (Note 34)	59,834	-	88,896	1
2170	Accounts payable (Note 20)	318,286	2	438,540	2
2180	Accounts payable-related parties (Note 34)	131,972	1	152,779	1
2219	Other payables (Note 21)	547,230	4	662,997	4
2220	Other payables-related parties (Note 34)	20,692	-	25,849	-
2230	Current tax liabilities (Note 4 and 28)	38,543	-	35,914	-
2280	Lease liabilities-current (Note 4, 15, and 34)	15,427	-	15,125	-
2322	Long-term loans due within one year (Note 19 and 35)	622,838	4	1,429,991	8
2365	Refund liabilities-current (Note 23)	6,575	-	8,935	-
2399	Other current liabilities (Note 22, 26, and 34)	131,882	1	161,424	1
21XX	Total current liabilities	5,416,237	36	8,202,967	45
	Non-current liabilities				
2541	Long-term bank loans (Note 19 and 35)	3,713,802	25	3,596,915	20
2580	Lease liabilities-non-current (Note 4, 15, and 34)	5,920	-	46,437	-
2570	Deferred tax liabilities (Note 4 and 28)	35,721	-	58,342	-
2630	Long-term deferred income (Note 4 and 22)	356,023	2	659,972	4
2645	Deposits received	10,436	-	51,628	-
25XX	Total non-current liabilities	4,121,902	27	4,413,294	24
2XXX	Total liabilities	9,538,139	63	12,616,261	69
	Equity attributed to the owners of the company (Note 25)				
3100	Stocks				
3110	Common stocks	4,076,396	27	3,845,657	21
3200	Capital surplus	581,654	4	581,654	3
	Retained earnings				
3310		176,258	1	138,909	1
3320		327,892	2	557,298	3
3350		255,333	2	373,488	2
3300	Total retained earnings	759,483	5	1,069,695	6
3400	Other equity	(412,522)	(3)	(327,892)	(2)
31XX	Total equity of company owners	5,005,011	33	5,169,114	28
36XX	Non-controlling interests (Note 25)	554,742	4	547,803	3
3XXX	Total equity	5,559,753	37	5,716,917	31
	Total liabilities and equity	$ 15,097,892	100	$ 18,333,178	100

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

Chairman: Chia-Min Yeh Manager: Yi-Nung Yu Accounting Manager: Hsiu-Feng Huang

De Licacy Industrial Co., Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Years Ended December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

(Except Earnings Per Share)

Code		2023 Amount	2023 %	2022 Amount	2022 %
	Operating revenue (Note 4, 26 and 34)				
4100	Net sales revenue	$ 9,742,159	99	$ 12,136,640	99
4800	Other operating revenue	87,875	1	140,361	1
4000	Total operating revenue	9,830,034	100	12,277,001	100
	Operating costs (Note 11, 24, 27 and 34)				
5110	Cost of goods sold	8,280,635	84	10,494,287	86
5900	Gross profit	1,549,399	16	1,782,714	14
	Operating expenses (Note 10, 24 and 27)				
6100	Marketing expenses	549,580	6	703,478	6
6200	General and administrative expenses	840,689	9	703,453	6
6300	Research and development expenses	201,169	2	207,769	1
6450	Expected credit loss	41,723	-	19,130	-
6000	Total operating expenses	1,633,161	17	1,633,830	13
6500	Net other gains and expenses (Note 27 and 34)	(30,669)	-	(17,861)	-
6900	Net operating revenue (loss)	(114,431)	(1)	131,023	1
	Non-operating revenue and expenses (Note 4, 7, 13, 22, 27 and 34)				
7100	Interest income	122,425	1	53,266	-
7190	Other income	488,450	5	135,763	1
7020	Other benefits and losses	(39,091)	(1)	329,755	3
7050	Finance costs	(235,257)	(2)	(187,132)	(1)
7060	Share of losses of associates using the equity method	(31,605)	-	30,347	-
7000	Total non-operating revenue and expenses	304,922	3	361,999	3
7900	Net profit before tax	190,491	2	493,022	4
7950	Income tax expenses (Note 4 and 28)	74,581	1	86,790	1
8200	Net profit for the year	115,910	1	406,232	3

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Code		2023 Amount	2023 %	2022 Amount	2022 %
	Other comprehensive income				
8310	Items not reclassified to profit or loss				
8311	Determine the remeasurement of the benefit plan (Note 24)	$ 955	-	$ 7,875	-
8316	Unrealized appraisal gains and losses of equity instrument investments measured at fair value through other comprehensive income (Note 25)	67,982	1	(60,868)	-
8320	Share of other comprehensive income of associates using the equity method (Note 25)	1,142	-	(1,154)	-
8349	Income tax related to items not reclassified (Note 28)	(151)	-	(1,256)	-
		69,928	1	(55,403)	-
	Items that may be reclassified to profit or loss in the future				
8361	Exchange differences on conversion of financial statements of foreign operations (Note 25)	(136,604)	(1)	322,688	3
8370	Share of other comprehensive income of associates and joint ventures using the equity method (Note 25)	(2,364)	-	46,355	-
8399	Income tax related to items that may be reclassified (Note 25 and 28)	28,465	-	(67,706)	(1)
8360		(110,503)	(1)	301,337	2
8300	Other comprehensive income for the year (net after tax)	(40,575)	-	245,934	2
8500	Total comprehensive income for the year	$ 75,335	1	$ 652,166	5
8600	The net profit is attributed to:				
8610	Owners of the company	$ 52,628	-	$ 367,058	3
8620	Non-controlling interests	63,282	1	39,174	-
		$ 115,910	1	$ 406,232	3
8700	The total comprehensive income is attributed to:				
8710	Owners of the company	($ 10,278)	-	$ 599,977	5
8720	Non-controlling interests	85,613	1	52,189	-
		$ 75,335	1	$ 652,166	5
	Earnings per share (Note 29)				
9710	Basic	$ 0.13		$ 0.90	
9810	Diluted	$ 0.13		$ 0.90	

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

Chairman: Chia-Min Yeh Manager: Yi-Nung Yu Accounting Manager: Hsiu-Feng Huang

De Licacy Industrial Co., Ltd. and Subsidiaries
Consolidated Statements of Changes in Equity
For the Years Ended December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)
(Except Dividends per Share)

Code		Equity attributed to the owners of the company										
				Retained earnings			Other equity					
		Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on conversion of financial statements of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income	Total	Grand total	Non-controlling interests	Total equity
A1	Balance at 1 January 2022	$ 3,845,657	$ 676,850	$ 121,649	$ 401,956	$ 172,602	($ 572,021)	$ 7,744	($ 564,277)	$ 4,654,437	$ 744,486	$ 5,398,923
	Appropriations of 2021 earnings (Note 25)											
B1	Legal reserve	-	-	17,260	-	(17,260)	-	-	-	-	-	-
B3	Special reserve	-	-	-	155,342	(155,342)	-	-	-	-	-	-
C7	Changes in equity of investment in associates for using equity method	-	946	-	-	(153)	-	-	-	793	-	793
C15	Cash dividends from capital surplus to shareholders－$0.25 per share(Note 25)	-	(96,142)	-	-	-	-	-	-	(96,142)	-	(96,142)
D1	Net income for the year ended December 31, 2022	-	-	-	-	367,058	-	-	-	367,058	39,174	406,232
D3	Other comprehensive profit (loss) after tax for the year ended December 31, 2022	-	-	-	-	7,105	265,142	(39,328)	225,814	232,919	13,015	245,934
D5	Total comprehensive profit (loss) after tax for the year ended December 31, 2022	-	-	-	-	374,163	265,142	(39,328)	225,814	599,977	52,189	652,166
M3	Disposal of subsidiaries	-	-	-	-	-	12,218	-	12,218	12,218	(329,498)	(317,280)
M7	Changes in ownership of subsidiaries (Note 12)	-	-	-	-	(2,169)	-	-	-	(2,169)	2,169	-
O1	Cash dividends from the subsidiaries (Note 25)	-	-	-	-	-	-	-	-	-	(9,807)	(9,807)
O1	Increase in non-controlling interests (Note 25)	-	-	-	-	-	-	-	-	-	88,264	88,264
Q1	Disposal of equity instruments measured at fair value through other comprehensive income (Note 25)	-	-	-	-	1,647	-	(1,647)	(1,647)	-	-	-
Z1	Balance at December 31, 2022	3,845,657	581,654	138,909	557,298	373,488	(294,661)	(33,231)	(327,892)	5,169,114	547,803	5,716,917
	Appropriations of 2022 earnings (Note 25)											
B1	Legal reserve	-	-	37,349	-	(37,349)	-	-	-	-	-	-
B3	Special reserve	-	-	-	(229,406)	229,406	-	-	-	-	-	-
B9	Stock dividends to shareholders of the Company – $0.4 per share	230,739	-	-	-	(230,739)	-	-	-	-	-	-
B5	Cash dividends to shareholders of the Company – $0.6 per share	-	-	-	-	(153,826)	-	-	-	(153,826)	-	(153,826)
C7	Changes in equity of investment in associates for using equity method	-	-	-	-	1	-	-	-	1	-	1
D1	Net income for the year ended December 31, 2023	-	-	-	-	52,628	-	-	-	52,628	63,282	115,910
D3	Other comprehensive profit (loss) after tax for the year ended December 31, 2023	-	-	-	-	913	(104,444)	40,625	(63,819)	(62,906)	22,331	(40,575)
D5	Total comprehensive profit (loss) after tax for the year ended December 31, 2023	-	-	-	-	53,541	(104,444)	40,625	(63,819)	(10,278)	85,613	75,335
O1	Legal reserve	-	-	-	-	-	-	-	-	-	(11,346)	(11,346)
	Special reserve											
O1	Unappropriated retained earnings	-	-	-	-	-	-	-	-	-	(67,328)	(67,328)
	Legal reserve											
Q1	Special reserve	-	-	-	-	20,811	-	(20,811)	(20,811)	-	-	-
	Unappropriated retained earnings											
Z1	Balance at December 31, 2022	$ 4,076,396	$ 581,654	$ 176,258	$ 327,892	$ 255,333	($ 399,105)	($ 13,417)	($ 412,522)	$ 5,005,011	$ 554,742	$ 5,559,753

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

Chairman: Chia-Min Yeh　　Manager: Yi-Nung Yu　　Accounting Manager: Hsiu-Feng Huang

De Licacy Industrial Co., Ltd. and Subsidiaries

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

Code		2023	2022
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Income before tax	$ 190,491	$ 493,022
A20000	Adjustments for:		
	Revenues/Expenses		
A20100	Depreciation	557,337	671,024
A20200	Amortization	2,076	1,785
A20300	Expected credit loss	41,723	19,130
A20400	Loss (Gain) on financial assets and liabilities measured at fair value through profit or loss	14,431	(3,145)
A20900	Finance costs	235,257	187,132
A21200	Interest income	(122,425)	(53,266)
A21300	Dividend income	(9,134)	(11,105)
A22300	Share of losses of associates accounted for using the equity method	31,605	(30,347)
A22500	Loss on disposal of property, plant and equipment	30,548	17,861
A22800	Loss on disposal of intangible assets	121	-
A23100	Loss on disposal of investments	-	16,248
A23200	Loss on disposal of subsidiaries	-	10,830
A23700	Inventory valuation and obsolescence losses	-	134,949
A24100	Unrealized foreign exchange losses (profits)	68,198	(317,559)
A29900	Allowance (reversal) for refund liability	(2,336)	3,734
A29900	Gains from lease amendment	(4,264)	-
	Changes in operating assets and liabilities		
A31130	Notes receivable (include related parties)	40,271	80,575
A31150	Accounts receivable (include related parties)	268,662	99,582
A31180	Other receivables (include related parties)	27,854	25,594
A31200	Inventory	591,312	(17,409)
A31230	Prepayments	60,259	(304,972)
A31240	Other current assets	(155,942)	7,621
A32130	Notes payable	(67,758)	12,456
A32150	Accounts payable	(120,254)	(38,760)
A32160	Accounts payable-related parties	(20,807)	23,023
A32180	Other payables	(155,992)	95,308
A32190	Other payables-related parties	(926)	59,740
A32230	Other current liabilities	(34,476)	169,267
A32240	Net defined benefit assets-non-current	(3,687)	(10,369)
A32990	Long-term deferred income	(299,015)	647,322
A33000	Cash generated from operations	1,163,129	1,989,271
A33100	Interest received	123,931	52,574
A33200	Dividends received	9,134	11,105
A33300	Interest paid	(241,871)	(176,368)
A33500	Income tax paid	(19,811)	(5,753)
AAAA	Cash generated from operations (net)	1,034,512	1,870,829
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00010	Acquisition of financial assets at fair value through other comprehensive income-current	(37,274)	(129,954)

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Code		2023	2022
B00020	Disposal of financial assets at fair value through other comprehensive income-current	$ 165,643	$ 35,332
B00100	Acquisition of financial assets at fair value through profit or loss	(761,722)	(909,761)
B00200	Disposal of financial assets at fair value through profit or loss	776,157	1,018,742
B00040	Acquisition of financial assets at amortized cost	(6,458,127)	(11,647,795)
B00060	Repayment of principal of financial assets at amortized cost upon maturity	8,520,082	12,149,554
B01800	Acquisition of investments accounted for using equity method	(11,454)	(111,178)
B02300	Net cash flows from subsidiary liquidation	-	58,554
B02400	Refund of paid-up capital from capital reduction of subsidiaries	-	10,016
B02700	Acquisition of property, plant and equipment	(1,233,126)	(622,747)
B02800	Proceeds from disposal of property, plant and equipment	30,544	27,985
B03700	Increase in refundable deposits	(1,551)	(18,540)
B03800	Decrease in refundable deposits	2,981	12,795
B04100	Increase in other receivables	-	(50,000)
B04200	Decrease in other receivables	162,282	40,000
B04500	Acquisition of intangible assets	(3,958)	(169)
B05100	Acquisition of right-of-use assets	(976)	(92,441)
B05350	Disposal of right-of-use assets	5,346	-
B07200	Decrease in prepayments for equipment	17,843	18,114
B07600	Received dividends from associated companies	31,178	5,640
BBBB	Net cash generated from (used in) investing activities	1,203,868	(205,853)
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	Increase in short-term loans	18,535,857	25,339,366
C00200	Decrease in short-term loans	(20,009,764)	(26,916,446)
C00500	Increase in short-term notes payable	16,636,140	9,613,631
C00600	Decrease in short-term notes payable	(16,786,240)	(9,613,636)
C01600	Loan of long-term debt	7,065,685	6,768,767
C01700	Repayment of long-term debt	(7,722,002)	(6,580,982)
C03000	Increase in deposits received	23,446	50,713
C03100	Decrease in deposits received	(64,446)	(910)
C03700	Increase in other payables-related parties	151,155	40,389
C03800	Decrease in other payables-related parties	(155,543)	(116,824)
C04020	Repayment of the principal portion of lease liabilities	(24,803)	(51,190)
C04500	Cash dividends	(153,826)	(96,142)
C05400	Cash capital increase of subsidiary	82	88,264
C05500	Cash capital decrease of subsidiary	(67,410)	-
C05800	Payment of cash dividends of non-controlling interests	(11,346)	(9,807)
CCCC	Net cash generated used in financing activities	(2,583,015)	(1,484,807)
DDDD	EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREGIN CURRENCIES	(17,340)	126,189
EEEE	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(361,975)	306,358
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,351,927	1,045,569
E00200	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 989,952	$ 1,351,927

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

Chairman: Chia-Min Yeh Manager: Yi-Nung Yu Accounting Manager: Hsiu-Feng Huang

Case 2： Board of Directors

Cause of action：Herewith is proposal for the 2023 Earnings Distribution of the company, please acknowledge.

Explanation： (1) 2023 Earnings Distribution Statement of the Company has been completed in edition as follows.

(2) Approved by Board of Directors of the Company on Mar 13, 2024.

DE LICACY INDUSTRIAL CO., LTD.

Earnings Distribution Statement

2023

Unit: New Taiwan Dollar

ITEM	AMOUNT	AMOUNT
Undistributed surplus, beginning of the period		$ 180,979,219
Plus: Net income after tax, current period	$ 52,628,396	
Plus: Accumulated gains and losses from the disposal of equity instruments measured at fair value through other comprehensive gains and losses are directly transferred to retained earnings	20,810,808	
Plus: Defined benefit plan remeasurements recognized in retained earnings	912,956	
Plus: Retained earnings adjusted for investments using the equity method	1,351	
The net profit after tax of the current period plus the amount of items other than the net profit after tax of the current period included in the undistributed surplus of the current year		74,353,511
Less: Provision of statutory surplus reserve（10% After-tax）		(7,435,351)
Less: According to law Provision of special surplus reserve		(84,629,384)
Distributable surplus for the current period		163,267,995
Distributed Items:		
shareholder dividend (NT$0.25 per share)-paid in cash		101,909,898
Undistributed surplus, end of the period		61,358,097

Note 1: The base date for distribution of cash dividends and matters related to the distribution of cash dividends shall be determined by the Board of Directors after the resolution of the general shareholders' meeting.

Note 2: If the cash dividend is less than NT$1, it will be unconditionally rounded off for calculation, and the remaining cash dividend amount will be transferred to the employee welfare committee.

Note 3:The number of shareholders' dividend distributable shares is calculated based on the number of outstanding shares of 407,639,591 shares. If there is a change in the Company's share capital that may affect the number of outstanding shares and the dividend rate of shareholders needs to be revised, it shall be proposed to the general shareholders' meeting for conduct with authorization of the chairman of the Board of Directors.

Note 4: According to the Ministry of Finance's April 30 1998 Tai Cai Shui Letter No. 871941343, when distributing surplus, the method of individual identification shall be adopted. The principle of this surplus distribution is to give priority to the distribution of 2023 surplus.

Person in charge: Ye Jiaming Manager: Yi-Nung Yu Accounting Supervisor: Huang Hsiu-Fen

Resolution:

Extraordinary motions

Articles of DE LICACY INDUSTRIAL CO., LTD.

Chapter 1 General Provisions

Article1:The Company is organized in accordance with the provisions of the Company Law and named as DE LICACY INDUSTRIAL CO., LTD.

Article 2: The businesses operated by the Company are as follows:

1. Printing and dyeing, finishing, processing, manufacturing and trading business of Plisse', blended fabric, jacquard, check, stretch fabric, chemical fabric, polyester staple fiber, Silk and other textiles.
2. The business of manufacturing, trading, processing and import and export trade of the products mentioned in the preceding paragraph and related yarn materials.
3. C802020 Manmade Fiber Manufacturing.
4. F104010 Wholesale of Fabrics.
5. F107020 Wholesale of Dyes and Pigments.
6. F113100 Wholesale of Pollution Controlling Equipment.
7. F204010 Retail sale of Fabrics.
8. H701040 Specific Area Development.
9. H701020 Industrial Factory Development and Rental.
10. C306010 Wearing Apparel.
11. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Company has a head office in Tainan City, and if necessary, the Board of Directors may decide to set up domestic or abroad branches.

Article 3-1: When the Company reinvests in another company and becomes a limited liability shareholder, the total amount of investment shall not exceed 40% of the paid-in share capital as stipulated in Article 13 of the Company Act, but shall be determined by the Board of Directors for agreement.

Article 3-2: The Company may endorse and guarantee externally for business needs, and its operations shall be handled in accordance with the Company's Management of Endorsement and Guarantees.

Article 4: The Company's announcement method shall be handled in accordance with Article 28 of the Company Act.

Chapter 2 Shares

Article 5: The total capital of the Company is set at NT$4.8 billion, divided into 480 million shares, all of which are ordinary shares, and the Board of

Directors is authorized to issue them in installments as needed.

Article 6: The Company’s stocks are all registered, signed or stamped by three or more directors, and issued after obtaining visas in accordance with the law. When the Company issues new shares, it may print or exempt shares based on the total number of shares issued.

The shares issued by the Company may be exempt from printing shares and should be registered with TDCC.

Article 7: The Company's stock affairs are handled in accordance with "Regulations Governing the Administration of Shareholder Services of Public Companies", relevant laws and regulations, and the regulations of the competent authority.

Article 8: The period during which the Company ceases stock transfer shall be handled in accordance with the provisions of the Company Act and other relevant laws and regulations.

Chapter 3 Shareholders’ meeting

Article 9: The Company’s shareholders’ meeting is divided into the following two categories:

1.Regular shareholders' meeting: it is convened at least once a year, convened by the Board of Directors, and held within six months after the end of each fiscal year.

2.Temporary shareholders' meeting: convened when necessary in accordance with the provisions of the Company Act.

Article 10: The procedures for convening the shareholders' meeting of the Company shall be handled in accordance with the provisions of the Company Act and other relevant laws and regulations.

Article 11: When the shareholders’ meeting is convened by the Board of Directors, the chairman of the board shall be the chairman. When the chairman of the board asks for leave or is unable to exercise his authority for some reason, his agency shall be handled in accordance with Article 208, Paragraph 3 of the Company Act.

When the shareholders' meeting is convened by a convening person other than the Board of Directors, the convening person shall be the chairman, and if there are two or more convening persons, one of the other persons shall be elected as the chairman.

Article 12: When a shareholder is unable to attend the shareholders’ meeting for some reason, it shall be handled in accordance with Article 177 of the Company Law and the "Regulations Governing the Use of Proxies for Attendance at Shareholders’ meetings of Public Companies" issued by the competent authority.

Article 13: The voting rights of shareholders shall be one right per share.

Article 14: Unless otherwise provided by relevant laws and regulations, the resolutions of the shareholders' meeting shall be attended by shareholders representing more than half of the total number of issued shares, and shall be implemented with the approval of more than half of the voting rights of the shareholders present. According to the regulations of the competent authority, shareholders of the Company can also exercise their voting rights electronically. Shareholders who exercise their voting rights electronically are deemed to be present in person, and related matters are handled in accordance with laws and regulations.

Article 15: The meeting minutes of the shareholders' meeting shall be signed or sealed by the chairman, and the minutes shall be distributed to all shareholders within 20 days after the meeting. The minutes are kept in the Company together with the signature book of the shareholders present and the proxy attendance letter.

The meeting minutes may be produced and distributed in electronic form.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results. The minutes shall be retained for the duration of the existence of the Company.

The retention period of the signature book of attending shareholders and the power of attorney for proxy attendance shall be at least one year unless otherwise provided by the Company Act.

The distribution of the minutes of the shareholders' meeting of the Company can be done in the form of announcement.

Chapter 4 Directors and Audit Committee

Article 16: The Company has five to nine directors, all of whom are elected by the shareholders' meeting who are capable of conduct. The term of office is three years, and they may be re-elected. The number of independent directors established in the number of directors in the preceding paragraph shall not be less than two, and shall not be less than one-fifth of the number of directors. The election of directors adopts the candidate nomination system in Article 192 of the Company Act, and the shareholders shall select from the list of candidates for directors. The method of accepting the nomination of director candidates, announcements and other related matters shall be handled in accordance with relevant laws and regulations of the Company Act and the Securities Exchange Law. However, the total number of registered shares held by all directors shall be handled in accordance with the " Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies" issued by the competent

authority.

Article 16-1: The Company shall set up an audit committee in accordance with Article 14-4 of the Securities Exchange Act, and the audit committee shall be responsible for implementing the supervisory authority of the Company Act, the Securities Exchange Act and other laws. The audit committee shall be composed of all independent directors with no less than three persons, one of whom has accounting or financial expertise, and one of them shall be the convener. The resolution of the audit committee shall be approved by more than half of all members.

Article 17: When the vacancy of directors reaches one-third, the Board of Directors shall convene a by-election at an interim meeting of shareholders within 60 days.

Article 18: When the term of office of a director expires and is not time for re-election, his executive duties shall be extended until the time when the re-elected director takes office.

Article 19: The directors organize the Board of Directors. The Board of Directors shall, with the presence of more than two-thirds of the directors and the approval of more than half of the directors present, elect one of them as chairman, and may elect one of them as vice chairman according to actual needs.

The chairman of the Board of Directors performs all affairs of the Company in accordance with laws, regulations, resolutions of the shareholders' meeting or the Board of Directors.

Article 20: The Company's operating policies and other important matters shall be resolved by the Board of Directors. Except for the first meeting of the Board of Directors in accordance with Article 203 of the Company Act, the Board of Directors shall convene and serve as the chairman of the Board of Directors. When applying for leave or unable to exercise authority for some reason, the agency shall handle it in accordance with Article 208 of the Company Act.

Article 21: The Board of Directors of the Company shall notify the directors of the meeting seven days before the meeting, and specify the time, place, and reason for the meeting. However, it must be called at any time in case of emergency. The convocation of the Board of Directors may be notified in writing, fax or e-mail.

Board meetings shall be attended by the directors in person. If the directors cannot attend in person, they may appoint other directors to act as agents. Unless otherwise stipulated by the Company Act, the resolution of the Board of Directors shall be attended by more than half of the directors and shall be carried out with the consent of more than half of the directors present.

Article 22: The minutes of the Board of Directors shall be prepared and signed or

sealed by the chairman, and the minutes shall be distributed to all directors within 20 days after the meeting. The minutes shall record the essentials and results of the meetings. The minutes should be kept in the Company together with the signature book of the directors present and the proxy attendance letter.

Article 23: Deleted.

Article 23-1: When the directors of the Company perform their business, regardless of the Company's business profit or loss, the payment of their remuneration shall be authorized by the Board of Directors to decide. The Board of Directors may agree on the extent of its participation in the Company's operations and the value of its contribution within 15% of the highest-ranking salary stipulated in the Company's salary assessment method. If there is a surplus, remuneration shall be distributed in accordance with the provisions of Article 26.

Chapter 5 Managers

Article 24: The Company may appoint a manager. The appointment, dismissal and remuneration shall be made by the Board of Directors based on the presence of more than half of the directors and a resolution approved by more than half of the directors present.

Chapter 6 Accounting

Article 25: At the end of the fiscal year of the Company, the Board of Directors shall prepare the following books and forms, which shall be submitted to the audit committee for verification 30 days before the meeting of the shareholders' meeting, and then submitted to the shareholders' meeting for recognition.

1. Business report.
2. Financial statements.
3. Proposals for surplus distribution or deficit compensated.

Article 26: (Employee bonus and director bonus)

If the Company makes profits for the year, it shall contribute no less than 4% as employee bonus, which shall be distributed in stock or cash by the resolution of the Board of Directors. The employees of the affiliated company who meet certain conditions shall be granted; the Company can increase the amount of profit. The director bonus shall be no more than 3% contributed by the resolution of the Board of Directors. The distribution of employee bonus and director bonus shall be reported to the shareholders’ meeting.

However, when the Company still has accumulated losses, it shall reserve the compensation amount in advance, and then contribute the

employee bonus and director bonus in proportion to the preceding paragraph.

Article 26-1: (Shareholder dividend + dividend policy)

If there is a surplus in the Company's annual final accounts, it should first pay taxes to make up for previous years' losses. Ten percent of the second deposit is a legal reserve, but when the legal reserve has reached the Company's paid-in capital, it must no longer be reported. The rest shall be reported or reversed to the special reserve in accordance with the laws and regulations, and the balance shall be added to the accumulated undistributed surplus of the previous year as the distributable surplus, which shall be retained by the Board of Directors according to the operational needs.

Chapter 7 Supplementary Provisions

Article 27: Any matters not covered in this Articles of Association shall be handled in accordance with the provisions of the Company Act and relevant laws and regulations.

Article 28: This Articles of Association was established on June 18, 1982.
The first amendment was made on August 10, 1983.
The second amendment was on February 20, 1987.
The third amendment was on September 10, 1988.
The fourth amendment was on October 10, 1989.
The fifth amendment was made on April 30, 1990.
The sixth amendment was on June 20, 1990.
The seventh amendment was on March 23, 1991.
The eighth amendment was on November 4, 1991.
The ninth amendment was on March 2, 1992.
The tenth amendment was on March 27, 1993.
The eleventh amendment was made on April 25, 1994.
The twelfth amendment was made on April 29, 1996.
The thirteenth amendment was on October 18, 1996.
The fourteenth amendment was made on May 7, 1997.
The fifteenth amendment took place on May 25, 1998.
The sixteenth amendment was on May 27, 1999.
The seventeenth amendment was on June 22, 2000.
The eighteenth amendment was on June 21, 2002.
The nineteenth amendment was on June 20, 2003.
The twentieth revision was on June 10, 2005.
The twenty-first revision was on June 22, 2007.
The twenty-second revision was on June 6, 2008.
The twenty-third revision was on June 16, 2009.
The twenty-fourth amendment was made on June 18, 2010.
The twenty-fifth amendment was on June 20, 2012.

The twenty-sixth amendment was on June 20, 2014.
The twenty-seventh amendment was on June 18, 2015.
The twenty-eighth amendment was made on June 17, 2016.
The twenty-ninth amendment was on June 15, 2018.
The thirtieth amendment was on June 21, 2019.

DE LICACY INDUSTRIAL CO., LTD.

Chairman: Ye Jiaming

DE LICACY INDUSTRIAL CO.,LTD.

Rules of Procedure for Shareholders' meetings

Passed by the 2021 regular shareholders' meeting (2021.07.28)

Article 1: The rules of procedures for the Company's shareholders' meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 2: The preparation of documents such as the attendance book, meeting handbook and annual report

The Company shall furnish shareholders and their proxies (collectively, "shareholders") with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

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

Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.

Article 3: 1. The convening of shareholders' meetings shall notify each shareholder before 30 days. For shareholders who hold the registered share, it may be done by means of a public announcement made through the MOPS before 30 days; The shareholder's temporary meeting should be notified before 15 days, and for shareholders who hold the registered share, it may be done by means of a public announcement made through the MOPS before 15 days

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

3.A shareholder holding one percent or more of the total number of issued shares may submit to the Company a written proposal for discussion at a regular shareholders' meeting. The number of items so proposed,

however, is limited to one only, and no proposal containing more than one item will be included in the meeting agenda, provided a shareholder proposal for urging the corporation to promote public interests or fulfill its social responsibilities may still be included in the agenda by the board of directors. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda.

4. Prior to the book closure date before a regular shareholders' meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

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

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

Article 4: The principle of holding a shareholders' meeting place and time

The location of the Company's shareholder will be held in the place of the Company or the place which is convenient for shareholders that is suitable for the shareholders' meeting. The beginning of the meeting shouldn't be earlier than 9 o'clock in the morning or after three pm.

Article 5: Chairman of the Shareholders, attendees

1. Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the Board of Directors; If a shareholders' meeting is convened by a party with power to convene but other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

2. If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, its agent is handled in accordance with the third paragraph of Article 208 of the Company Act.

3. There should be more than over half of the directors to participate in the shareholders' meeting convened by the Board of Directors.

4. The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-

voting capacity.

Article 6: 1. For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

2. A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company before five days before the date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

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

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

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

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail.

When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Article 7: Documentation of a Shareholders' meeting by Audio or Video

The Company shall make an uninterrupted audio and video recording of the proceedings of the shareholders' meeting. The recorded materials shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 8: 1. Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards.

2. The chair shall call the meeting to order at the appointed meeting time. At the same time, relevant information such as the number of non-voting rights and the number of shares present will be announced. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

3. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month.

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

Article 9: Discussion of Proposals

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

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

3.The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting.

4.If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall elect a new chair, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

Article 10: Shareholder speech

1. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.
2. A shareholder in attendance who has submitted a speaker's slip but does not actually, speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.
3. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.
4. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.
5. When the government or juristic person is a shareholder, its representative is not limited to one person. When the juristic person was attended by the shareholders' meeting, the juristic person can only assign a representative of one person. When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.
6. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 11: Election of directors

1. The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected.
2. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 12: The Meeting Minutes

1. Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.
2. The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.
3. The meeting minutes shall accurately record the year, month, day, and place

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

4. The resolution method in the preceding paragraph is based on the chairman's consultation with shareholders. If the shareholders have no objection to the proposal, it should be stated that "Approved without objection after the chairman consulted all the shareholders present"; However, if shareholders disagree with the proposal and put it to the vote, the method of voting and the number of voting rights and the ratio of the number of voting rights should be stated.

5. The minutes of the shareholders' meeting shall be kept permanently during the Company's existence, and the Company should disclose it when the Company has a website.

Article 13: Public disclosure

1. On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders' meeting.

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

Article 14: Discussion of proposals

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

Article 15: Calculation of voting shares and recusal system

1. Voting at a shareholders' meeting shall be calculated based on the number of shares.

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

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

4. The number of shares for which voting rights may not be exercised under

the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

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

Article 16: 1. A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

2. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. Vote counting shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting shall be announced on-site at the meeting, and a record made of the vote.

Article 17: Recess and resumption of a shareholders' meeting

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

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

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

Article 18: 1. Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders.

2. The proposal is approved by the chairman in consultation with all shareholders present who have no objections, and its effect is the same as that passed by voting; if there are objections, the voting shall be adopted in accordance with the provisions of the preceding paragraph.

Article 19: When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected,

and no further voting shall be required.

Article 20: Maintaining order at the meeting place

1. Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.
2. The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband.
3. At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from doing so.
4. When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 21: For undecided matters in this rule, the Company Act and the relevant rules of procedure promulgated by the competent authority shall apply.

Article 22: These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be affected in the same manner.

Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent shareholders' meeting.

<table>
<tr><td colspan="3">Item</td><td>Year 2023</td></tr>
<tr><td colspan="3">The amount of paid-in capital at the beginning of the period</td><td>NTD$4,076,395,910</td></tr>
<tr><td rowspan="3">Dividend distribution this year</td><td colspan="2">Cash dividend per share</td><td>NTD$0.25</td></tr>
<tr><td colspan="2">Number of allotment shares per share for capital increase from earnings</td><td>0 shares</td></tr>
<tr><td colspan="2">Number of allotment shares per share for capital surplus transferred to common stock</td><td>0 shares</td></tr>
<tr><td rowspan="8">Changes in business performance</td><td colspan="2">Business interest</td><td rowspan="11">Not applicable (Note 2)</td></tr>
<tr><td colspan="2">Increase (decrease) ratio of operating profit over the same period last year</td></tr>
<tr><td colspan="2">Net profit after tax</td></tr>
<tr><td colspan="2">Rate of increase (decrease) in net profit after tax compared with the same period last year</td></tr>
<tr><td colspan="2">Earnings per share</td></tr>
<tr><td colspan="2">Earnings per share increase (decrease) ratio over the same period last year</td></tr>
<tr><td colspan="2">Annual average return on investment (the reciprocal of the annual average P/E ratio)</td></tr>
<tr><td rowspan="5">Pro forma earnings per share and price earnings ratios</td><td rowspan="2">If the surplus is changed to capital increase, the cash dividend will be found</td><td>Proposed earnings per share</td></tr>
<tr><td>Proposed annual average return on investment</td></tr>
<tr><td rowspan="2">If there is not applied for capital reserve transferred to common stock</td><td>Proposed earnings per share</td></tr>
<tr><td>Proposed annual average return on investment</td></tr>
<tr><td>If the capital reserve has not been handled, and the surplus is transferred to capital increase, it will be paid by cash dividends</td><td>Proposed earnings per share</td></tr>
</table>

Note 1: As of the resolution of the 2024 regular shareholders' meeting

Note 2: According to the Taiwan Financial Certificate (1) Zi No. 00371 letter dated February 1, 2000 (2000) of the Securities and Futures Bureau, the Company is not required to prepare and announce the 2023 financial forecast, so there is no need to disclose this information.

DE LICACY INDUSTRIAL CO., LTD.
Directors' shareholding

1. The Company's paid-in capital is NT 4,076,395,910, and the number of issued shares are 407,639,591 shares.
2. According to Article 26 of the Securities and Exchange Act, all directors (excluding independent directors) should hold a minimum of 16,000,000 shares.
3. The number of shares held by individual and all directors (including independent directors) as recorded in the shareholder register as of the closing date of the shareholders' meeting is as follows:

April 09, 2024

Title	Name	Number of shares held	Shareholding ratio
Chairman of the board	Ye Jiaming	3,485,471	0.86%
director	Ye Jiahao	2,946,211	0.72%
director	Fuhua Investment (Stock) Company Representative: Yu Yineng	31,801,053	7.80%
Independent director	Huang Junren	69,960	0.02%
Independent director	Su Baicheng	13,527	0.00%
Independent director	Huang Shih-ying	0	0.00%
Independent director	Tsai LI-ju	0	0.00%
Total number of shares held by non-independent directors		38,232,735	9.38%
Number of shares held by all directors		38,316,222	9.40%

Note:The book closure date of this regular shareholders' meeting is from 2024.04.09 to 2024.06.07.