

Stock Code: 8927

NORTH-STAR INTERNATIONAL CO., LTD.

2024 Annual Shareholders' Meeting Handbook

Date of Meeting: June 21, 2024

Venue of Meeting: No. 118, Jinding Rd., Ranmin Dist. Kaohsiung City (Jin Shi Hu Hotel, 3/F, Conference Room)

Convening Method: Physical Shareholders' Meeting

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2024 Annual Shareholders' Meeting Procedure

1. Call the Meeting to Order
2. Chairman's Address
3. Report Items
4. Proposed Resolutions
5. Discussion Items
6. Extraordinary Motions
7. Adjournment

NORTH-STAR INTERNATIONAL CO., LTD.

2024 Annual Shareholders' Meeting

Meeting Agenda

Convening Method: Physical Shareholders' Meeting

Time: 10:00 am June 21, 2024 (Friday)

Venue: No. 118, Jinding Rd., Ranmin Dist. Kaohsiung City (Jin Shi Hu Hotel, 3/F, Conference Room)

1. Call the Meeting to Order
2. Chairman's Address
3. Report Items
 1. 2023 Business Report
 2. 2023 Audit Committee Review Report
 3. Report on 2023 Remuneration Distribution of Employees and Directors of the Company
 4. Report on Execution of the 7th Domestic Guaranteed Convertible Bonds and 8th Domestic Non-guaranteed Convertible Bonds Issued by the Company
 5. Amendment to Some Articles of the Company's "Rules for Procedure of Board Meetings"
4. Proposed Resolutions
 1. 2023 Business Report and Financial Statements
 2. 2023 Surplus Distribution
5. Discussion Items
 1. The Company's Proposal of Converting Surplus into Capital and Issuing New Shares
 2. The Company's Proposal of Converting Capital Reserves into Capital and Issuing New Shares
 3. The Company's Proposal of Allocating Cash from Capital Reserves
 4. Amendment to Some Articles of the Company's "Rules for Procedure of Shareholders' Meetings"
 5. Formulation of the Company's "Procedures for Loaning Funds to Others"
 6. Amendment to Some Articles of the Company's "Regulations for Handling Acquisition or Disposal of Assets"
6. Extraordinary Motions
7. Adjournment

I. Report Items

Report No. 1:

Case: 2023 Business Report. Please review and approve this case.

Explanations: 2023 Business Report.

NORTH-STAR INTERNATIONAL CO., LTD.

2023 Business Report

1. 2023 Business operating result

(1) Business plan implementation results:

(1) Operating revenue:

The company's total operating revenue of 2023 is NT\$7,697,962,000 (with an increase of NT\$943,526,000 or an increase of 13.97%) compared with the total operating income of NT\$6,754,436,000 of 2022. The main reason is that the price of oil products from January to December in 2023 is higher than that from January to December in 2022. As of the end of 2023, there are a total of 72 operational locations.

(2) Sales:

Comparison of sales figures of various types of oil products in 2023 with the sales situation in 2012 by the Company.”

Unit: NT\$; %

Product Year	Unleaded gasoline	Premium diesel	Solar energy	Stored energy	Others	Total
2023	5,332,133	1,571,549	365,576	96,732	331,972	7,697,962
2022	5,027,011	1,473,999	-	24,940	228,486	6,754,436
Increase (decrease) number	305,122	97,550	365,576	71,792	103,486	943,526
Increase (decrease) %	6.07%	6.62%	-	287.86%	45.29%	13.97%

(2) Budget execution status

According to the “Guidelines for Handling Public Financial Forecasts of Publicly Listed Companies”, the Company is not required to disclose financial forecasts for 2023, so it is not applicable.

(3) Financial revenue and expenditure analysis and profitability analysis:

(1) Financial revenue and expenditure analysis:

Unit: NT\$1,000

Item	2023	2022
Net operating income	7,697,962	6,754,436
Gross operating profit	1,228,452	838,850
Profit/Loss after tax	122,790	117,449

(2) Profitability analysis:

Item		2023	2022
Return on asset (%)		0.49	0.83
Return on shareholders' equity (%)		1.39	2.86
Paid-in capital	Operating profit	7.91	-1.46
Proportion (%)	Net profit before tax	5.36	5.01
Profit rate (%)		1.46	1.95
Current earning per share (dollar)		0.35	0.44

(4) Research and development status:

Our company mainly operates in the buying and selling services industry and has not invested in product development. Over the years, we have actively educated our employees about oil-related knowledge, familiarized them with refueling equipment, and instilled a service-oriented spirit to cultivate their excellent service attitude and quality. In the future, we will continue to uphold this spirit to service and create higher performance.

2. 2023 business plan outline

(1) Operation policy

1. Enhance the value of the enterprise, and contribute to the well-being of customers, shareholders, and employees.
2. Comply with laws, protect the environment, and fulfill corporate social responsibility.
3. Provide excellent service.

(2) Estimated sales volume and its basis

The company estimates its sales volume based on external environmental changes, future developments, past business conditions, current company status, and annual operating goals set according to future trends. However, the Company has not disclosed its 2024 financial forecast, so the Company does not intend to disclose its estimated sales volume.

(3) Important production and marketing policy

1. Increase self-service refueling to cope with rising labor costs and uncertain personnel recruitment.
2. Gradually replace business locations to improve operational efficiency.
3. Strive for long-term and high-volume customers to stabilize business income.
4. Strengthen the management of members, improve customer loyalty, and make the volume of oil efflux grow steadily.
5. Continues to promote the activation of assets and increase the Company's profits through diversified operations and cross-industry alliances.
6. Carry out diversified operation.
7. Strengthen independent pollution prevention and control capabilities.

3. Future company development strategy

(1) Improve operational performance

Develop high-efficiency stations, open up the opportunity of integrating gas stations other companies of the industry and strengthen car wash business, etc., to improve business performance

(2) Strengthen information platform

1. Use the information platform of membership cards to combine other companies of the industry for joint marketing in order to expand the scope of physical channels.

2. Integrate the internal information platform, actively establish the ERP system, strengthen information integration and sharing, and simplify the operation process.

(3) Continue to invest in the deployment and development of photovoltaic industries such as solar energy and energy storage, and actively form intra-industry alliances.

(4) Provide electric vehicle charging and swapping services, in response to the development of the government's green energy industry.

4. Affected by the external competitive environment, regulatory environment and overall business environment

(1) Current status and development of the industry

The company mainly operates the business of gas stations. In recent years, the influences of the external competitive environment and the overall business environment, price cuts among peers, promotional activities, difficulties in obtaining new operating bases, and fluctuations in international oil prices have resulted in a gradual decline in gross profit margins. The public has higher and higher demand for environmental protection, and the competent authorities become gradually stricter on the regulations of gas stations. Overall speaking, the environment for operating gas stations is becoming more and more difficult. With the efforts and support of all shareholders and colleagues, the Company strives to maximize the rights and interests of shareholders.

(2) Relation between upstream, midstream and downstream of the industry

Upstream	Midstream	Downstream
<hr/>	<hr/>	<hr/>
Gasoline and diesel manufacturing supplier	Gas Station	Transportation industry and general consumer

(3) Various development trends of products and external competitive environments

In the future, the market will develop in the direction of bigger and bigger players, so that industry consolidations will occur one after another. In addition, gas stations provide differentiated services, highlighting the features of the gas stations as much as possible, and increasing consumers' visibility, supplemented with diversified operating items will increase consumers to engage in diversified consumption at gas stations.

Under the development of groups of gas stations, each group will attract consumers by brilliant creative marketing, so as to consolidate consumer loyalty and cooperate with consistent service process. On the one hand, it can make consumers to be familiar to high-quality service methods; on the other hand, it can improve customer satisfaction, so that customers can come to the gas station for consumption without pressure.

(4) Impacts of oil price

In 2023, there was a slow rise in oil prices. The company effectively utilized the weekly price adjustments to maintain a high or low inventory level, resulting in significant cost reductions and increased profits.

(5) Impacts on lifestyle

Along with the improvement of lifestyle, in daily life, with the continuous opening of the metropolitan rapid transit systems, the cost of parking in urban areas is rising, and the awareness of environmental protection is rising today. Under the trend of energy saving and carbon reduction, consumers' living habits are gradually changing, the rate of taking public transportation has increased, and the demand for oil products has relatively decreased. Many favorable and unfavorable factors of life style intertwinely affect sales, and the Company responds to these factors with different marketing strategies.

(6) Impact of regulatory environments

In recent years, there have been no major changes in the regulations on the establishment of gas stations. In terms of gas station management, the competent authorities have paid more attention to environmental pollution monitoring and management improvement in recent years. In order to comply with regulations and fulfill social responsibilities, the Company has set up a fuel gas recycle system. For oil storage equipment and soil, groundwater pollution is also regularly tested to reduce the possibility of pollution, and the professional training of personnel is strengthened to avoid the impact caused by negligence of the personnel. In addition, barrier-free spaces and related facilities are generally set up to take care of the physically handicapped users' needs.

Report No. 2:

Case: 2023 Audit committee's audit report. Please review and approve this case.

Explanations: Audit committee's audit report.

2023 Audit committee's audit report

NORTH-STAR INTERNATIONAL CO., LTD.

Audit committee's audit report

Hereby, the board of directors prepared the Company's business report, financial statements and surplus distribution proposals of 2023, in which the financial statements were audited by the accountants Vincent Yu and David Chen of KPMG Accounting Firm, and the audit report was issued. The above business report, financial statements and surplus distribution proposals were approved without any discrepancy found by the Audit Committee, and a report was issued in accordance with the provisions of Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, and submitted for auditing

Sincerely,

Hou Shu-Hui

Audit Committee Convener

NORTH-STAR INTERNATIONAL CO., LTD.

April 8, 2024

Report No. 3:

Case: 2022 Employee remuneration and director remuneration distribution report. Please review and approve this case.

Explanations:

1. The report was handled in accordance with Article 235-1 of the Company Act and Article 20 of the Company's Articles of Association.
2. In 2023, the Company's pre-tax net profit, after deducting the employee and director compensation, was NT\$144,202,158. The company plans to distribute NT\$1,448,588 (1%) in employee compensation and NT\$4,326,064 (3%) in director compensation, both in cash. The recipients of the employee compensation distribution include employees of the Company and eligible employees of subsidiary companies.
3. This case was approved by the 5th session of the 7th Salary and Remuneration Committee Meeting of the Company held on March 6, 2024, and submitted for approval by the 12th Session of the 14th Board Meeting held on March 8, 2024.

Report No. 4:

Case: Report on the execution of issuing the Seventh Domestic Guaranteed Convertible Bonds and the Eighth Domestic Non-guaranteed Convertible Bonds by the Company. Please review and approve this case.

Explanations:

In order to repay loans from financial institutions and strengthen financial structure, the Company plans to issue the seventh domestic guaranteed convertible bonds in 2024 with a total amount of NT\$590 million, and the eighth domestic non-guaranteed convertible bonds in 2024 with a total amount of NT\$500 million, and reports the reasons for raising bonds and related matters in accordance with the provisions of Article 246 of the Company Act as follows:

NORTH-STAR INTERNATIONAL CO., LTD.

Issuance and Execution of Corporate Bond

Types of corporate bonds	The seventh guaranteed convertible bonds	The eighth non-guaranteed convertible bonds
Date of Board's Resolution	November 3, 2023	November 3, 2023
Financial Supervision and Administration Commission's Approval Number	Note 1	Note 1
Issue date	Note 2	Note 2
Total amount of issues	The face value of each bond is NT\$100,000, and the total number of bonds to be issued is 5,900, with a total face value of NT\$590,000,000. The bonds are publicly underwritten through competitive bidding, with the minimum bid at no less than 104% of the face value, and the actual issue price of each bond will be determined by the result of the competitive bidding.	The face value of each bond is NT\$100,000, and the maximum number of bonds to be issued is 5,000, with a total face value of NT\$500,000,000, which is based on 100% of the face value of the bonds.
Issue price	Issued at a price no less than 104% of the face value of the bond.	Issued at a price of full face value.
Interest rate	Coupon rate 0%	Coupon rate 0%
Maturity	3 years	3 years
Underwriter Agency	Taiwan Cooperative Securities	Taiwan Cooperative Securities

	Co., Ltd.	Co., Ltd.
Trustee Agency	Bank SinoPac Co., Ltd.	Bank SinoPac Co., Ltd.
Principal and interest payment period and method	Unless the bond holder converts the bonds into the Company's ordinary shares in accordance with Article 10 of these Measures, or the Company redeems the bonds in advance in accordance with Article 18 of these Measures, or the Company repurchases the retired bonds from the securities dealer's business office, the Company will repay the converted corporate bonds held by the bond holders in one lump sum in cash within seven business days from the day after the maturity of the converted corporate bonds at 101.5075% of the face value of the bonds (Real rate of return is 0.5%).	Unless the bond holder converts the bonds into the Company's ordinary shares in accordance with Article 10 of these Measures, or the Company redeems the bonds in advance in accordance with Article 18 of these Measures, or the bond holder exercises the put right in accordance with Article 19 of these Measures, or the Company repurchase the retired bonds from the securities deal's business office, the Company will repay the converted corporate bonds held by the bond holders in one lump sum in cash within seven business days from the day after the maturity of the converted corporate bonds at 101.5075% of the face value of the bonds (Real rate of return is 0.5%).
Expected benefits	In addition to reducing the burden of interest expenses, it can also enhance debt solvency, improve financial structure and increase the flexibility of capital deployment.	In addition to reducing the burden of interest expenses, it can also enhance debt solvency, improve financial structure and increase the flexibility of capital deployment.
Number of converted common shares	Nil	Nil
Balance of outstanding	Nil	Nil

Note 1: The seventh domestic guaranteed convertible bond case and the eighth domestic non-guaranteed convertible bond case were sent to the competent authority for approval at the time of publication of the annual report, and the approval information will be reported at the shareholders' meeting after the approval of the cases.

Note 2: To be determined after the declaration of this case becomes effective.

Report No. 5:

Case: Amendment to some articles of the Company's "Rules for Procedure of Board Meetings".

Please review and approve the case.

Explanations:

In order to comply with the amendments of laws and regulations, it is proposed to amend some of the articles of the Company's "Rules for Procedure of Board Meetings" and a comparison of the amended articles is set forth below.

Comparison Table of Amended Articles of the "Rules for Procedure of Board Meetings"

Amended Article	Current Article	Description
<p>Article 12</p> <p>If half of all directors are not present at a meeting, the chairman may announce the postponement of the meeting <u>for that day</u>, and the number of postponements shall be limited to two. If the number of attended directors is still insufficient after two postponements, the chairman may reconvene the meeting in accordance with the procedures set forth in Paragraph 2 of Article 3.</p> <p>The total number of directors referred to in the preceding paragraph and Item 2 of Paragraph 2 of Article 17 shall be counted based on those who are actually in office.</p>	<p>Article 12</p> <p>If half of all directors are not present at a meeting, the chairman may announce the postponement of the meeting and the number of postponements shall be limited to two. If the number of attended directors is still insufficient after two postponements, the chairman may reconvene the meeting in accordance with the procedures set forth in Paragraph 2 of Article 3.</p> <p>The total number of directors referred to in the preceding paragraph and Paragraph 2 of Article 17 shall be counted based on those who are actually in office.</p>	<p>A part of the article is amended to comply with the amendments to the laws and regulations.</p>
<p>Article 13</p> <p>The company's board meeting shall be conducted with the procedure scheduled in the meeting notice. However, it may be changed with the consent of a majority of the directors present. The chairman shall not declare a meeting to adjourn without the consent of a majority of the directors present.</p> <p>During a board meeting, if the number of directors present does not constitute a majority of the</p>	<p>Article 13</p> <p>The company's board meeting shall be conducted with the procedure scheduled in the meeting notice. However, it may be changed with the consent of a majority of directors present. The chairman shall not declare a meeting to adjourn without the consent of a majority of the directors present.</p> <p>During a board meeting, if the number of directors present does not constitute a majority of the</p>	<p>Part of the article is added to comply with the amendments to the laws and regulations.</p>

<p>directors present, the chairman shall, upon the proposal of the directors present, declare the meeting is suspended that the provisions of Paragraph 1 of the preceding article shall apply.</p> <p><u>During a board meeting, if the chairman is unable to preside over the meeting for any reason or fail to declare the adjournment of the meeting in accordance with the provisions of Paragraph 2, the provisions of Paragraph 3 of Article 10 shall apply mutatis mutandis to the selection and appointment of his proxy.</u></p>	<p>directors present, the chairman shall, upon the proposal of the directors present, declare the meeting is suspended that the provisions of Paragraph 1 of the preceding article shall apply.</p>	
<p>Article 20</p> <p>The formulation and amendment of these rules of procedures implemented with the approval of the Company's Board of Directors.</p> <p>These rules were formulated and approved by March 20, 2007.</p> <p>The first amendment of these rules was made in the board meeting on March 7, 2012.</p> <p>The second amendment of these rules was made in the board meeting on March 21, 2013.</p> <p>The third amendment of these rules was made in the board meeting on March 12, 2018.</p> <p>The fourth amendment of these rules was made in the board meeting on March 21, 2019.</p> <p>The fifth amendment of these rules was made in the board meeting on March 17, 2020.</p> <p>The sixth amendment of these rules was made in the board meeting on March 16, 2021.</p> <p>The seventh amendment of these rules was made in the board meeting on October 13, 2022.</p> <p><u>The eighth amendment of these rules was made in the board meeting on March 8, 2024.</u></p>	<p>Article 20</p> <p>The formulation and amendment of these rules of procedures implemented with the approval of the Company's Board of Directors.</p> <p>These rules were formulated and approved by March 20, 2007.</p> <p>The first amendment of these rules was made in the board meeting on March 7, 2012.</p> <p>The second amendment of these rules was made in the board meeting on March 21, 2013.</p> <p>The third amendment of these rules was made in the board meeting on March 12, 2018.</p> <p>The fourth amendment of these rules was made in the board meeting on March 21, 2019.</p> <p>The fifth amendment of these rules was made in the board meeting on March 17, 2020.</p> <p>The sixth amendment of these rules was made in the board meeting on March 16, 2021.</p> <p>The seventh amendment of these rules was made in the board meeting on October 13, 2022.</p>	Regulatory history

II. Proposed resolutions

Proposal No. 1 (Proposed by the board of directors)

Case: 2023 Business reports, financial statements and consolidated financial statements.

Explanations:

1. The company's 2023 business reports, financial statements and consolidate financial statements have been passed by resolutions of the board of directors, and the financial statements and consolidate financial statements have been audited by the accountants Vincent Yu and David Chen of KPMG Accounting Firm and issued with audit reports on file.
2. The above business reports, financial statements and consolidate financial statements have been reviewed completely by the Audit Committee.
3. Please refer to Appendix 1 of this handbook for the Company's 2023 business reports, financial statements, and consolidate financial statements.
4. These proposals are raised for approval.

Resolutions:

Proposal No. 2 (Proposed by the board of directors)

Case: 2023 Surplus distribution.

Explanations: The profit distribution table was planned and drawn up in accordance with Article 20-1 of the Articles of Association. The cash dividend of NT\$0.10 per share and the stock dividend of NT\$0.30 per share were proposed to be distributed this year, and the proposal was submitted to the shareholders' meeting for approval.

NORTH-STAR INTERNATIONAL CO., LTD.

2023 Surplus Distribution Table

Unit: NT\$

Undistributed surplus at beginning period	45,329,730
Plus (minus): Net profit (loss) after tax	112,660,934
Listed items:	
Listed statutory surplus reserve (10%)	(11,266,093)
Listed equity deduction special surplus reserve	(392,725)
Surplus available for distribution	146,331,846
Items of Distribution:	
Shareholder bonus-Stock (NT\$0.3/share)	(97,932,580)
Shareholder bonus-Cash (NT\$0.1/share)	(32,644,192)
Undistributed surplus at closing period	15,755,074

Notes:

1. The surplus distribution for this time will give priority to the surplus of 2023.
2. The surplus stock (dividend) allotment rate is calculated based on the Company's number of outstanding shares of 326,441,924 as of February 27, 2024. If subsequent changes in the Company's common stock capital affect the number of outstanding shares, the surplus stock (dividend) allotment rate changes as a result of such changes, the Company intends to make a request in the shareholders' meeting to authorize the board of directors to handle the matter in its sole discretion.
3. The fractional part of the distributed cash dividend less than one share will be listed as other income of the Company.

To: 2024 General shareholders' meeting

Chairman: Chung, Jia-Cun Manager: Liao, Shun-Qing Accounting Supervisor: Hon, Chia-Hsien

Resolutions:

III. Discussion Items

Proposal No. 1 (Proposed by the board of directors)

Case: Conversion of surplus into capital increase and issuance of new shares.

Explanation:

1. To strengthen financial structure and increase working capital, the Company plans to allocate NT\$97,932,580 from the distributable surplus to issue 9,793,258 ordinary shares at NT\$10 per share as capital increase. It is estimated that there will be 30 shares distributed free of charge for every thousand shares.
2. Fractional shares less than one share may be consolidated into one full share by the shareholder, and the Company's agency for stock affairs shall register for the patching of the whole share within five (5) days from the date of closing of the account transfer, and overdue consolidations will be handled by paying cash, which is calculated (rounded down) to nearest dollar, and their shares are authorized to the chairman to contact specific persons to subscribe for the shares at par. In line with the non-physical allocation operation, for shareholders who receive dividend stocks through depository institutions, the dollar amount of the above-mentioned fractional shares will be used to offset the cost of the shareholder's stock depository. The actual number of allotted shares will be distributed based on the number of shares held by shareholders recorded in the shareholder list on the ex-rights base date.
3. Subject to the approval of the shareholders at the shareholders' meeting and the approval of the competent authorities, it is proposed to authorize the board of directors to set the allotment date for capital increase and other related matters.
4. The rights and obligations of the new shares issued at this time are the same as those of the original shares.
5. The above-mentioned shareholder dividend rate is calculated based on the Company's 326,441,924 outstanding shares as of February 27, 2024. If there is a subsequent change in the Company's capital of common stocks, which affects the number of outstanding shares and changes the shareholder's dividend rate accordingly, it is proposed to submit such case to a general shareholders' meeting and authorize the board of directors to handle the case with full authority.
6. If the matters related to the above capital increase need to be changed as required by the competent authority or the fact that needs to be changed, it is proposed to submit such case to the general shareholders' meeting and authorize the board of directors to handle the case with full authority.
7. This proposal is raised for discussions.

Resolutions:

Proposal No. 2 (Proposed by the board of directors)

Case: Conversion of capital reserve into capital increase and issuance of new shares.

Explanation:

1. To strengthen the capital structure, the Company plans to convert capital reserve of NT\$ 326,441,920 into capital increase and issue 32,644,192 registered ordinary shares with a face value of NT\$10 per share. It is estimated that 100 shares will be distributed free of charge for every thousand shares.
2. Fractional shares less than one share may be consolidated into one full share by the shareholder, and the Company's agency for stock affairs shall register for the patching of the whole share within five (5) days from the date of closing of the account transfer and overdue consolidations will be handled by paying cash, which is calculated (rounded down) to nearest dollar, and their shares are authorized to the chairman to contact specific persons to subscribe for the shares at par. In line with the non-physical allocation operation, for shareholders who receive dividend stocks through depository institutions, the dollar amount of the fractional shares mentioned in the preceding paragraph will be used to offset the cost of the shareholder's stock depository.
3. The rights and obligations of the new shares issued at this time are the same as those of the original shares, and they are all registered ordinary shares.
4. The above shareholders' dividend rate is calculated based on the number of 326,441,924 outstanding shares as of February 27, 2024. If subsequent changes in the Company's common stock capital affect the number of outstanding shares and the shareholders' dividend rate changes as a result of such changes, it is proposed to submit such case to the general shareholders' meeting and authorize the board of directors to handle the case with full authority.
5. After this case is approved by the general shareholders' meeting and submitted to the competent authorities for approval, it is proposed to submit such case to the general shareholders' meeting and authorize the board of directors to set the base date, payment date and other related matters for capital increase, which will be announced separately at that time.
6. In the event that any of the above matters related to the capital increase must be changed due to changes in laws and regulations, objective circumstances, or factual needs, it is planned to make a request in the general shareholders' meeting to authorize the board of directors to handle such the case with full authority.
7. This proposal is raised for discussions.

Resolutions:

Proposal No. 3 (Proposed by the board of directors)

Case: Distribution of cash with capital reserve.

Explanation:

1. Where a company incurs no losses, it may, pursuant to Article 241 of the Company Act, distribute the capital reserve of the premium obtained from issuing ordinary shares exceeding the par value in cash. The capital reserve of NT\$195,865,154 is distributed to shareholders in cash, which is estimated to be NT\$0.6 in cash per share, and the distribution of fractional shares less than one dollar will be listed as other income of the Company.
2. After the approval of this case in the general shareholders' meeting of this time, it is planned to authorize the board of directors to set the ex-dividend date, payment date, and other related matters.
3. The above shareholder dividend rate is calculated based on the Company's 280,350,489 outstanding shares as of February 20, 2023. If there is a change in the Company's common share capital that affects the number of outstanding shares, the shareholder dividend rate will change accordingly. It is proposed to submit such case to the general shareholders' meeting and authorize the board of directors to handle the case with full authority.
4. This proposal is raised for discussions.

Resolutions:

Proposal No. 4 (Proposed by the board of directors)

Case: Amendment to some articles of the “Rules for Procedure of Shareholders’ Meetings”.

Explanation:

1. To comply with amendments of laws and regulations, it is proposed to amend some articles of the Company’s “Rules for Procedure of Shareholders’ Meetings” and the comparison table of the amended articles is listed below.
2. Discussions are invited.

Amended Article	Current Article	Description
<p>Article 3: (Convening and meeting notice of shareholders’ meetings)</p> <p>The shareholders’ meeting of the company shall be convened by the board of directors unless otherwise stipulated by laws and regulations.</p> <p>Changes in the method of convening the shareholders’ meeting of the company shall be resolved by the board of directors, and shall be implemented no later than the notice of the shareholders’ meeting is mailed.</p> <p>The company shall prepare the notice of the shareholders’ meeting, the form of the power of attorney, the reasons and explanations for various proposals related to the admission, discussion, election or dismissal of directors, etc. in form of electronic files and sent them to the Public Information Observatory, thirty (30) days before the general shareholders’ meeting or fifteen (15) days before the extraordinary shareholders’ meeting. The company shall also send the handbook of the annual shareholders’ meeting and the supplementary materials of the meeting in form of electronic files and send them to the Public Information Observatory, twenty one (21) days before the general shareholders’ meeting or fifteen (15) days before the extraordinary shareholders’ meeting. However, since the company’s paid-in capital amounted to <u>NT\$2 billion or more</u> at the end of the most recent fiscal</p>	<p>Article 3: (Convening and meeting notice of shareholders’ meetings)</p> <p>The shareholders’ meeting of the company shall be convened by the board of directors unless otherwise stipulated by laws and regulations.</p> <p>Changes in the method of convening the shareholders’ meeting of the company shall be resolved by the board of directors, and shall be implemented no later than the notice of the shareholders’ meeting is mailed.</p> <p>The company shall prepare the notice of the shareholders’ meeting, the form of the power of attorney, the reasons and explanations for various proposals related to the admission, discussion, election or dismissal of directors, etc. in form of electronic files and sent them to the Public Information Observatory, thirty (30) days before the general shareholders’ meeting or fifteen (15) days before the extraordinary shareholders’ meeting. The company shall also send the handbook of the annual shareholders’ meeting and the supplementary materials of the meeting in form of electronic files and send them to the Public Information Observatory, twenty one (21) days before the general shareholders’ meeting or fifteen (15) days before the extraordinary shareholders’ meeting. However, since the company’s paid-in capital amounted to <u>NT\$10 billion or more</u> at the end of the most recent fiscal</p>	<p>Amendment is made to comply with the amendments to some laws and regulations</p>

<p>year, or the company held a general meeting of shareholders in the most recent fiscal year and the total shareholding ratio of foreign capital and mainland capital listed in the register of shareholders reached 30% or more, the transmission of the above-mentioned electronic files shall be completed thirty (30) days before the general shareholders' meeting. The company shall, fifteen (15) days before the shareholders' meeting, prepare the handbook of the current annual shareholders' meeting and supplementary materials for the meeting, which are provided for shareholders to request and read at any time, and exhibit them in the company and the professional stock agency appointed by the company.</p> <p>The company shall provide shareholders the aforementioned handbook and supplementary materials for reference on the day of the shareholders' meeting in the following manner:</p> <ol style="list-style-type: none"> 1. When a physical shareholders' meeting is called, the handbook and supplementary materials shall be handed out at the shareholders' meeting. 2. When a video-assisted shareholders' meeting is called, the handbook and supplementary materials shall be handed out at the shareholders' meeting and sent in form of electronic files to the shareholder video conferencing platform. 3. When a shareholders' meeting through video conferencing is called, the handbook and supplementary materials shall be sent in form of electronic files to the shareholder video 	<p>year, or the company held a general meeting of shareholders in the most recent fiscal year and the total shareholding ratio of foreign capital and mainland capital listed in the register of shareholders reached 30% or more, the transmission of the above-mentioned electronic files shall be completed thirty (30) days before the general shareholders' meeting. The company shall, fifteen (15) days before the shareholders' meeting, prepare the handbook of the current annual shareholders' meeting and supplementary materials for the meeting, which are provided for shareholders to request and read at any time, and exhibit them in the company and the professional stock agency appointed by the company.</p> <p>The company shall provide shareholders the aforementioned handbook and supplementary materials for reference on the day of the shareholders' meeting in the following manner:</p> <ol style="list-style-type: none"> 1. When a physical shareholders' meeting is called, the handbook and supplementary materials shall be handed out at the shareholders' meeting. 2. When a video-assisted shareholders' meeting is called, the handbook and supplementary materials shall be handed out at the shareholders' meeting and sent in form of electronic files to the shareholder video conferencing platform. 3. When a shareholders' meeting through video conferencing is called, the handbook and supplementary materials shall be sent in form of electronic files to the shareholder video 	
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conferencing platform. (Omitted below)	conferencing platform. (Omitted below)	
<p>Article 23</p> <p>These rules are implemented after the approval of the shareholders' meeting, and the same applies to amendments. These rules were formulated on June 17, 2013.</p> <p>The first amendment was made on June 18, 2019.</p> <p>The second amendment was made on June 9, 2010.</p> <p>The third amendment was made on August 4, 2021.</p> <p>The fourth amendment was made on June 23, 2022.</p> <p>The fifth amendment was made on June 21, 2024.</p>	<p>Article 23</p> <p>These rules are implemented after the approval of the shareholders' meeting, and the same applies to amendments. These rules were formulated on June 17, 2013.</p> <p>The first amendment was made on June 18, 2019.</p> <p>The second amendment was made on June 9, 2010.</p> <p>The third amendment was made on August 4, 2021.</p> <p>The fourth amendment was made on June 23, 2022.</p>	History of these rules

Resolution:

Proposal No. 5 (Proposed by the board of directors)

Case: Formulation of the Company's "Procedures for Loaning Funds to Others".

Explanation:

1. To meet business needs, the formulation of the Company's "Procedures for Loaning Funds to Others" is proposed for compliance. Please refer to Appendix 2.
2. This proposal is raised for approval and discussions are invited.

Resolution:

Proposal No. 6 (Proposed by the board of directors)

Case: Amendment to Some Articles of the Company's "Regulations for Handling Acquisition or Disposal of Assets".

Explanation:

1. To meet business needs, the amendment to some of the articles of the Company's "Regulations for Handling Acquisition or Disposal of Assets" is proposed. Please refer to the table of amended articles below.
2. This proposal is raised for discussions.

Amended Article	Current Article	Description
<p>Article 5:</p> <p>The limit on the amount of investments made by the Company or its subsidiaries in real property or the rights of using assets and securities for non-operating purposes shall be handled in accordance with the following provisions:</p> <p>1. The Company's limit on investments:</p> <p>(1) The real property investment in real property for non-operating purpose shall be limited to no more than <u>60%</u> of the Company's net worth.</p> <p>(Omitted below)</p>	<p>Article 5:</p> <p>The limit on the amount of investments made by the Company or its subsidiaries in real property or the rights of using assets and securities for non-operating purposes shall be handled in accordance with the following provisions:</p> <p>1. The Company's limit on investments:</p> <p>(1) The real property investment in real property for non-operating purpose shall be limited to no more than <u>30%</u> of the Company's net worth.</p> <p>(Omitted below)</p>	<p>A part of the article is amended to comply with diversified operations and actual business needs.</p>
<p>Article 7:</p> <p>1. (Omitted)</p> <p>2. (Omitted)</p> <p>3. Procedures for determining transaction terms and authorized amount</p> <p>(1) (Omitted)</p> <p>(2) Authorization Level</p> <p>1. Acquisitions or disposals of real property, equipment or their right-to-use assets with a transaction amount less than NT\$2 million (inclusive) shall be submitted to the general manager for approval in accordance with the company's "Approval Procedure";</p> <p><u>for the transaction amount more than NT\$2 million and less than NT\$20 million, it shall be</u></p>	<p>Article 7:</p> <p>4. (Omitted)</p> <p>5. (Omitted)</p> <p>6. Procedures for determining transaction terms and authorized amount</p> <p>(1) (Omitted)</p> <p>(2) Authorization Level</p> <p>1. Acquisitions or disposals of real property, equipment or their right-to-use assets with a transaction amount less than NT\$2 million (inclusive) shall be submitted to the general manager for approval in accordance with the company's "Approval Procedure";</p> <p><u>for the transaction amount more than NT\$2 million and less than NT\$30 million, it shall be submitted to the Chairman for approval in accordance</u></p>	<p>The authorization level for different brackets of transaction amounts is revised in line with the amendment to the amendment to the Company's Approval Procedure".</p>

<p><u>submitted to the Vice Chairman for approval in accordance with the Company's "Approval Procedure"; for the transaction amount more than NT\$20 million and less than NT300 million, it shall be submitted to the Chairman for approval in accordance with the Company's "Approval Procedure"; and for the transaction amount more than NT300 million, it shall be submitted to the Board of Directors for approval before it can be processed.</u> When submitting the matter to the Board of Directors for discussion, the opinions of each independent director shall be fully considered. If the independent directors have objections or reservations, they shall be stated in the minutes of the board meeting.</p> <p>2. A sale and purchase agreement entered into with a counterparty of the transaction may be executed with the approval of the Chairman and ratified by a proposal raised in the next board meeting after the transaction occurs, in order to meet business needs and improve timeliness.</p> <p>3. Acquisitions or disposals of assets such as those required by the Company Act or other laws and regulations shall be resolved or recognized by the shareholders' meeting or reported to the shareholders' meeting.</p>	<p><u>with the Company's "Approval Procedure"; and for the transaction amount more than NT300 million, it shall be submitted to the Board of Directors for approval before it can be processed.</u> When submitting the matter to the Board of Directors for discussion, the opinions of each independent director shall be fully considered. If the independent directors have objections or reservations, they shall be stated in the minutes of the board meeting.</p> <p>2. A sales and purchase agreement entered into with a counterparty of the transaction may be executed with the approval of the Chairman and ratified by a proposal raised in the next board meeting after the transaction occurs, in order to meet business needs and improve timeliness.</p> <p>3. Acquisitions or disposals of assets such as those required by the Company Act or other laws and regulations shall be resolved or recognized by the shareholders' meeting or reported to the shareholders' meeting.</p>	
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Resolution:

IV. Extraordinary Motions

V. Adjournment



安侯建業聯合會計師事務所
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Independent Auditors' Report

To the Board of Directors of North-Star International Co., Ltd.:

Opinion

We have audited the consolidated financial statements of North-Star International Co., Ltd. and its subsidiaries ("the Group"), which comprise the consolidated balance sheet as of December 31, 2023 and 2022 (Restated), the consolidated statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022 (Restated), 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 with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Emphasis of Matter

As mentioned in notes 1 and 12(b) to the consolidated financial statements, a subsidiary, Santi Energy Co., Ltd. (Formerly known as SANLU DEVELOPMENT CO., LTD.) acquired 51% equity interests in Neo Cathy Electric Power Corp. in September 2023 with cash of \$354,960 thousand. In accordance with the IFRS discussion papers issued by the Accounting Research and Development Foundation ("ARDF"), the aforementioned transaction is a reorganization under common control and shall be accounted for as a combination from the beginning. In addition, the Group should restate retroactively the comparative consolidated financial statements for the year ended December 31, 2022. Our opinion is not modified in respect of this matter.



Other Matter

We did not audit the financial statements of certain subsidiaries for the year ended December 31, 2023. Those financial statements were audited by other auditors, whose audit reports have been furnished to us. Therefore, our opinion, insofar as it relates to those subsidiaries, is based solely on the audit reports of the other auditors. The total assets of the aforementioned subsidiaries constituted 13% of the total consolidated assets as of December 31, 2023, and the total operating revenues constituted 0% of the total consolidated operating revenues for the year ended December 31, 2023, respectively.

We did not audit the financial statements of certain equity-accounted associates for the years ended December 31, 2023 and 2022. Those financial statements were audited by other auditors, whose audit reports have been furnished to us. Our conclusion, insofar as it relates to the amounts included for the aforementioned associates, is based solely on the audit reports of other auditors. As of December 31, 2023 and 2022, the (restated) investments in equity-accounted associates constituted 1% and 2% of total consolidated assets, respectively. For the years ended December 31, 2023 and 2022, the (restated) share of profits of both equity-accounted associates and joint ventures constituted 20% and 131% of total consolidated profit before tax, respectively.

North-Star International Co., Ltd. has prepared its parent-company-only financial statements as of and for the years ended December 31, 2023 and 2022, on which we have issued an unmodified opinion with an Other Matter paragraph.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

Refer to Note 4(p) “Revenue” and Note 6(y) “Revenue from contracts with customers” to the consolidated financial statements.

Description of key audit matter:

North-Star International Co., Ltd. is principally engaged in the retail business of gasoline products, with petrol filling stations located throughout Taiwan. The operating income of each station is recorded through the Point-of-Sale Information System (POS) for each transaction in terms of the quantity, unit price and total price. After the daily checkout, sales are counted according to each station's daily sales report and reviewed by the way of customer payment method (by cash, by credit cards, credits sales on account). Therefore, revenue recognition was the key audit matter in the audit of consolidated financial reports for the years ended December 31, 2023 and 2022 of the Group.

How the matter was addressed in our audit:

Our principal audit procedures to the above key audit matter included: understanding the Group’s accounting policies adopted for the revenue recognition and the procedures of transactions; sampling and testing effectiveness of the internal controls surrounding revenue recognition; testing selected sales samples and agreeing to daily sales report, bank deposit records, or credit card bill with related certificates, records on ledger, etc., testing sales cut-off, on a sampled basis, for transactions incurred within a certain period before or after the balance sheet date by evaluating whether the revenue was recorded in proper period.



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

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.



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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Yu, Sheng-Ho and Chen, Kuo-Tsung.

KPMG

Taipei, Taiwan (Republic of China)
March 29, 2024

Notes to Readers

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

The auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditors' report and consolidated financial statements, the Chinese version shall prevail.

Consolidated Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

North-Star International Co., Ltd. and subsidiaries

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		2023		2022	
		Amount	%	(Restated)	%
		Amount	%	Amount	%
4000	Operating revenue (note 6(y) and 7)	\$ 7,697,962	100	6,754,436	100
5000	Operating costs (note 6(e)(k)(l)(t)(u))	<u>6,469,510</u>	<u>84</u>	<u>5,915,586</u>	<u>88</u>
5900	Gross profit from operations	<u>1,228,452</u>	<u>16</u>	<u>838,850</u>	<u>12</u>
6000	Operating expenses (note 6(d)(k)(l)(m)(n)(t)(u)(z)):				
6100	Selling expenses	755,155	10	694,987	10
6200	Administrative expenses	214,928	3	184,018	3
6450	Expected credit impairment loss	<u>77</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total operating expenses	<u>970,160</u>	<u>13</u>	<u>879,005</u>	<u>13</u>
6900	Net operating income (loss)	<u>258,292</u>	<u>3</u>	<u>(40,155)</u>	<u>(1)</u>
7000	Non-operating income and expenses:				
7100	Interest income	14,143	-	3,914	-
7010	Other income (note 6(t)(aa) and 7)	72,239	1	61,551	1
7020	Other gains and losses, net (note 6(k)(aa))	(21,163)	-	22,097	-
7050	Finance costs (note 6(t)(aa))	(182,634)	(2)	(90,150)	(1)
7060	Share of profit of associates and joint ventures accounted for using equity method (note 6(f))	<u>33,989</u>	<u>-</u>	<u>180,578</u>	<u>3</u>
	Total non-operating income and expenses	<u>(83,426)</u>	<u>(1)</u>	<u>177,990</u>	<u>3</u>
7900	Profit from continuing operations before tax	174,866	2	137,835	2
7950	Less: income tax expenses (note 6(v))	<u>52,076</u>	<u>1</u>	<u>20,386</u>	<u>-</u>
	Profit	<u>122,790</u>	<u>1</u>	<u>117,449</u>	<u>2</u>
8300	Other comprehensive income:				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8316	Unrealized (losses) gains from investments in equity instruments measured at fair value through other comprehensive income	(393)	-	(62)	-
8349	Less: income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
8300	Other comprehensive income	<u>(393)</u>	<u>-</u>	<u>(62)</u>	<u>-</u>
	Total comprehensive income	<u>\$ 122,397</u>	<u>1</u>	<u>117,387</u>	<u>2</u>
	Profit (loss), attributable to:				
8610	Profit attributable to owners of parent	\$ 112,660	1	131,468	2
8160	Profit (loss), attributable to former owner of business combination under common control	7,233	-	(12,680)	-
8620	Non-controlling interests	<u>2,897</u>	<u>-</u>	<u>(1,339)</u>	<u>-</u>
	Comprehensive income attributable to:	<u>\$ 122,790</u>	<u>1</u>	<u>117,449</u>	<u>2</u>
8710	Comprehensive income attributable to owners of parent	\$ 112,267	1	131,406	2
8160	Comprehensive income, attributable to former owner of business combination under common control	7,233	-	(12,680)	-
8720	Non-controlling interests	<u>2,897</u>	<u>-</u>	<u>(1,339)</u>	<u>-</u>
	Earnings per share (NT dollars) (note 6(x))	<u>\$ 122,397</u>	<u>1</u>	<u>117,387</u>	<u>2</u>
9750	Basic earnings per share	<u>\$ 0.35</u>		<u>0.44</u>	
9850	Diluted earnings per share	<u>\$ 0.35</u>		<u>0.44</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
North-Star International Co., Ltd. and subsidiaries

Consolidated Statements of Changes in Equity

For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent									
	Share capital		Retained earnings			Other equity interest		Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income		
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings		Total attributable equity to owners of parent	Equity attributable to former owner of business combination under common control	Non-controlling interests
Balance on January 1, 2022	\$ 2,462,493	838,381	114,765	1,693	202,679	319,137		3,618,336	-	175,959
Respective adjustment of equity attributable to former owner due to reorganization of entities under common control	-	-	-	-	-	-		-	308,929	296,814
Equity at beginning of period after adjustments	2,462,493	838,381	114,765	1,693	202,679	319,137		3,618,336	308,929	472,773
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	14,002	-	(14,002)	-		-	-	-
Special reserve appropriated	-	-	-	(18)	18	-		-	-	-
Cash dividends of ordinary share	-	-	-	-	(148,228)	(148,228)		(148,228)	-	-
Profit (Restated)	-	-	-	-	(162,212)	(162,212)		(148,228)	-	-
Other comprehensive income	-	-	14,002	(18)	131,468	131,468		131,468	(12,680)	(1,339)
Total comprehensive income	-	-	-	-	-	-		(62)	-	(62)
Stock dividends from capital surplus	-	-	-	-	131,468	131,468		131,406	(12,680)	(1,339)
Reorganization	215,264	(215,264)	-	-	-	-		-	-	-
Conversion of convertible bonds	-	-	-	-	(242)	(242)		(242)	-	(242)
Share-based payments	111,550	114,111	-	-	-	-		225,661	-	225,661
Changes in non-controlling interests	-	8,175	-	-	-	-		8,175	-	8,175
Exercise of disengagement	-	-	-	-	-	-		-	-	(1,925)
Balance on December 31, 2022 (Restated)	2,789,307	745,749	128,767	1,675	171,693	302,135		3,835,454	296,249	469,509
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	14,161	-	(14,161)	-		-	-	-
Special reserve appropriated	-	-	-	62	(62)	-		-	-	-
Cash dividends of ordinary share	-	-	-	-	(112,140)	(112,140)		(112,140)	-	-
Profit	-	-	14,161	-	112,660	112,660		112,660	7,233	2,897
Other comprehensive income	-	-	-	-	-	-		(393)	-	(393)
Total comprehensive income	-	-	-	-	-	-		-	-	-
Conversion of convertible bonds	194,762	197,956	-	-	-	-		112,267	7,233	2,897
Stock dividends from capital surplus	280,350	(280,350)	-	-	-	-		392,718	-	-
Cash dividends from capital surplus	-	(84,105)	-	-	-	-		(84,105)	-	-
Reorganization	-	(35,134)	-	-	-	-		(35,134)	(303,482)	(16,344)
Difference between consideration and carrying amount of subsidiaries acquired	-	1,233,224	-	-	-	-		1,233,224	-	960,177
Changes in ownership interests in subsidiaries	-	6,961	-	-	-	-		6,961	-	(6,961)
Changes in non-controlling interests	-	-	-	-	-	-		-	-	1,343,738
Balance on December 31, 2023	3,264,419	1,784,301	142,928	1,737	157,990	302,655		5,349,245	-	2,753,016

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
North-Star International Co., Ltd. and subsidiaries

Consolidated Statements of Cash Flows
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	<u>2023</u>	<u>2022</u> <u>(Restated)</u>
Cash flows from (used in) operating activities:		
Profit before tax	\$ 174,866	137,835
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	439,514	250,158
Amortization expense	10,481	1,730
Expected credit impairment loss	77	-
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	(14)	1,819
Interest expense	182,634	89,635
Interest income	(14,143)	(3,656)
Dividend income	(117)	(96)
Share-based payments	-	8,175
Share of profit of associates accounted for using equity method	(33,989)	(180,578)
Loss on disposal of property, plan and equipment	469	97
Property, plan and equipment transferred to expenses	3,222	-
Loss on disposal of investments accounted for using equity method	1,651	-
Impairment loss on non financial assets	24,049	-
Gain on lease modification	(11,454)	(10,555)
Total adjustments to reconcile profit	<u>602,380</u>	<u>156,729</u>
Changes in operating assets and liabilities:		
Contract assets	(350,425)	-
Notes receivable	(696)	148
Trade receivable	(22,596)	(19,221)
Other receivable	(462,478)	(50,858)
Inventories	(655,583)	(230,963)
Other current assets	(164,298)	(290,824)
Total changes in operating assets	<u>(1,656,076)</u>	<u>(591,718)</u>
Contract liabilities	168,814	51,179
Notes payable	(15,732)	13,353
Trade payable	294,336	281,569
Other payable	575,487	183,777
Other current liabilities	(33,512)	26,960
Total changes in operating liabilities	<u>989,393</u>	<u>556,838</u>
Total adjustments	<u>(64,303)</u>	<u>121,849</u>
Cash inflow generated from operations	110,563	259,684
Interest received	14,143	3,656
Dividends received	62,106	176,496
Interest paid	(160,819)	(83,110)
Income taxes paid	(19,208)	(30,293)
Net cash flows from operating activities	<u>6,785</u>	<u>326,433</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
NORTH-STAR INTERNATIONAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022 (Restated)
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(30,000)	-
Acquisition of investments accounted for using equity method	(29,772)	(25,000)
Net cash flow from acquisition of subsidiaries	62,100	-
Acquisition of property, plant and equipment	(5,161,649)	(2,658,554)
Proceeds from disposal of property, plant and equipment	-	32,313
Increase in refundable deposits	(173,056)	(143,261)
Acquisition of intangible assets	(19,233)	(573)
Acquisition of right-of-use assets	(2,246)	-
Increase in other financial assets	-	(359,548)
Decrease in other financial assets	106,984	-
Increase in other non-current assets	(57,013)	(6,279)
Increase in prepayments for land and business facilities	<u>(2,154,811)</u>	<u>(2,306,872)</u>
Net cash flows used in investing activities	<u>(7,458,696)</u>	<u>(5,467,774)</u>
Cash flows from (used in) financing activities:		
Increase in short-term loans	-	755,919
Decrease in short-term loans	(526,959)	-
Increase in short-term notes and bills payable	170,711	199,856
Proceeds from issuing bonds	-	1,184,333
Proceeds from long-term debt	6,429,818	3,535,551
Repayments of long-term debt	(1,255,168)	(245,720)
Increase in guarantee deposits received	11,541	-
Decrease in guarantee deposits received	-	(30)
Revenues from disgorgements	-	433
Payment of lease liabilities	(240,716)	(171,698)
Cash dividends paid	(196,245)	(148,228)
Disposal of ownership interests in subsidiaries (without losing control)	2,193,401	-
Change in non-controlling interests	1,128,617	(1,926)
Decrease in Equity attributable to former owner of business combination under common control	<u>(354,960)</u>	<u>-</u>
Net cash flows from financing activities	<u>7,360,040</u>	<u>5,108,490</u>
Net decrease in cash and cash equivalents	<u>(91,871)</u>	<u>(32,851)</u>
Cash and cash equivalents at beginning of period	<u>1,355,886</u>	<u>1,388,737</u>
Cash and cash equivalents at end of period	<u><u>\$ 1,264,015</u></u>	<u><u>1,355,886</u></u>

See accompanying notes to consolidated financial statements.



安侯建業聯合會計師事務所
KPMG

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Independent Auditors' Report

To the Board of Directors of NORTH-STAR INTERNATIONAL CO., LTD.:

Opinion

We have audited the financial statements of NORTH-STAR INTERNATIONAL CO., LTD. ("the Company"), which comprise the balance sheet as of December 31, 2023 and 2022 (Restated), the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022 (Restated), 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 for Opinion

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

Emphasis of Matter

As mentioned in notes 1 and 12(b) to the financial statements, a subsidiary, Santi Energy Co., Ltd. (Formerly known as SANLU DEVELOPMENT CO., LTD.) acquired 51% equity interests in Neo Cathy Electric Power Corp. in September 2023 with cash of \$354,960 thousand. In accordance with the IFRS discussion papers issued by the Accounting Research and Development Foundation ("ARDF"), the aforementioned transaction is a reorganization under common control and shall be accounted for as a combination from the beginning. In addition, the Company should restate retroactively the comparative financial statements for the year ended December 31, 2022. Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the financial statements of Beiji International Development Industries Corporation (Beiji International Development), an associate of the Company, which represented investment in another entity accounted for using the equity method.

Those statements were audited by another auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Beiji International Development, is based solely on the report of another auditor. The investment in Beiji International Development accounted for using the equity method constituting 2% of total assets at December 31, 2023 and 2022 (Restated) respectively, and the related share of profit of associates and joint ventures accounted for using the equity method constituting 26% and 145% of total profit before tax for the years then ended, respectively.



We did not audit the financial statements of Yang Ji Enterprise Co., Ltd. (Yang Ji Enterprise), an associate of the Company, which represented investment in another entity accounted for using the equity method.

Those statements were audited by another auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Yang Ji Enterprise, is based solely on the report of another auditor. The investment in Yang Ji Enterprise accounted for using the equity method constituting 1% of total assets at December 31, 2023 and 2022 (Restated), respectively, and the related share of profit of associates and joint ventures accounted for using the equity method constituting (2)% of total profit before tax for both the years then ended, respectively.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. 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.

1. Revenue recognition

Refer to Note 4(p) “Revenue” and Note 6(u) “Revenue from contracts with customers” to the consolidated financial statements.

Description of key audit matter:

NORTH-STAR INTERNATIONAL CO., LTD. is principally engaged in the retail business of gasoline products, with petrol filling stations located throughout Taiwan. The operating income of each station is recorded through the Point-of-Sale Information System (POS) for each transaction in terms of the quantity, unit price and total price. After the daily checkout, sales are counted according to each station’s daily sales report and reviewed by the way of customer payment method (by cash, by credit cards, credit sales on account). Therefore, revenue recognition was the key audit matter in the audit of financial reports for the years ended December 31, 2023 and 2022 of the Company.

How the matter was addressed in our audit:

Our principal audit procedures to the above key audit matter included: understanding the Company’s accounting policies adopted for the revenue recognition and the procedures of transactions; sampling and testing effectiveness of the internal controls surrounding revenue recognition; testing selected sales samples and agreeing to daily sales report, bank deposit records, or credit card bill with related certificates, records on ledger, etc., testing sales cut-off, on a sampled basis, for transactions incurred within a certain period before or after the balance sheet date by evaluating whether the revenue was recorded in proper period.

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

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

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

Those charged with governance are responsible for overseeing the Company’s 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We 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. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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



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

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

The engagement partners on the audit resulting in this independent auditors' report are Yu, Sheng-Ho and Chen, Kuo-Tsung.

KPMG

Taipei, Taiwan (Republic of China)
March 29, 2024

Notes to Readers

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

The auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditors' report and parent company only financial statements, the Chinese version shall prevail.

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
NORTH-STAR INTERNATIONAL CO., LTD.

Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2023		December 31, 2022	
		Amount	%	(Restated) Amount	%
Assets					
Current assets:					
11100	Cash and cash equivalents (note 6(a))	\$ 273,256	2	131,844	1
11170	Accounts receivable, net (note 6(d)(u) and 7)	36,446	-	27,939	-
1200	Other receivables, net (note 7)	112,799	1	37,429	-
130X	Inventories (note 6(c) and 8)	1,459,062	12	791,917	8
1470	Other current assets (note 6(k) and 8)	172,750	2	106,233	1
		2,054,313	17	1,095,362	10
Non-current assets:					
1510	Non-current financial assets at fair value through profit or loss (note 6(b)(o))	-	-	216	-
1517	Non-current financial assets at fair value through other comprehensive income (note 6(c))	30,080	-	473	-
1550	Investments accounted for using equity method (note 6(f))	2,978,826	25	4,192,630	40
1600	Property, plant and equipment (note 6(h) and 8)	4,083,659	35	3,703,222	36
1755	Right-of-use assets (note 6(i))	706,141	6	676,932	6
1760	Investment property, net (note 6(j))	1,106,772	9	34,332	-
1780	Intangible assets	3,809	-	3,048	-
1915	Prepayments for business facilities	119,537	1	13,495	-
1920	Guarantee deposits paid	274,577	2	170,837	2
1980	Other non-current financial assets (note 8)	483,762	5	595,465	6
1990	Other non-current assets, others (note 6(r))	5,208	-	5,322	-
		9,792,371	83	9,395,972	90
Total assets		\$ 11,846,684	100	10,491,334	100
Liabilities and Equity					
Current liabilities:					
	Short-term borrowings (note 6(m) and 8)	\$ 447,360	4	852,360	8
	Short-term notes and bills payable (note 6(l))	340,664	3	249,697	2
	Current contract liabilities (note 6(u))	369,440	3	223,784	2
	Trade payables	770,629	6	400,894	4
	Other payables (note 7)	148,285	1	136,210	1
	Current tax liabilities	16,467	-	-	-
	Current lease liabilities (note 6(p) and 7)	95,904	1	84,703	1
	Total long-term liabilities, current portion (note 6(n) and 8)	1,016,309	9	1,058,084	10
	Total other current liabilities (note 6(u) and 7)	16,240	-	41,453	-
		3,221,298	27	3,047,185	28
Non-Current liabilities:					
	Non-current financial liabilities at fair value through profit or loss (note 6(b)(o))	143	-	210	-
	Bonds payable (note 6(o) and 8)	1,203,754	10	1,583,779	15
	Long-term borrowings (note 6(n) and 8)	1,446,959	12	1,141,191	11
	Non-current lease liabilities (note 6(p) and 7)	607,069	5	585,955	6
	Other non-current liabilities	18,216	-	1,311	-
		3,276,141	27	3,312,446	32
		6,497,439	54	6,359,631	60
Total liabilities					
Equity attributable to owners of parent (note 6(o)(s)):					
	Share capital	3,264,419	28	2,789,307	27
	Capital surplus	1,784,301	15	745,749	7
	Retained earnings	302,655	3	302,135	3
	Other equity interest	(2,130)	-	(1,737)	-
	Total equity attributable to owners of parent:	5,349,245	46	3,835,454	37
	Equity attributable to former owner of business combination under common control	-	-	296,249	3
	Total equity	5,349,245	46	4,131,703	40
	Total liabilities and equity	\$ 11,846,684	100	10,491,334	100

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

NORTH-STAR INTERNATIONAL CO., LTD.**Statements of Comprehensive Income****For the years ended December 31, 2023 and 2022****(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)**

		2023		2022 (Restated)	
		Amount	%	Amount	%
4000	Total operating revenue (note 6(u) and 7)	\$ 5,746,181	100	5,372,833	100
5000	Operating costs (note 6(e)(q))	4,948,180	86	4,695,782	87
5900	Gross profit from operations	798,001	14	677,051	13
6000	Operating expenses (note 6(h)(i)(j)(q)(v) and 7):				
6100	Selling expenses	653,470	11	602,925	11
6200	Administrative expenses	109,737	2	88,383	2
6450	Expected credit impairment loss	77	-	-	-
	Total operating expenses	763,284	13	691,308	13
6900	Net operating income (loss)	34,717	1	(14,257)	-
7000	Non-operating income and expenses:				
7100	Interest income	5,378	-	1,337	-
7010	Other income (not 6(p) and 7)	116,240	2	97,895	2
7020	Other gains and losses, net (note 6(k)(o))	(4,520)	-	(4,618)	-
7050	Finance costs (note 6(o)(p))	(99,498)	(2)	(65,714)	(1)
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method (note 6(f))	86,109	1	111,616	2
	Total non-operating income and expenses	103,709	1	140,516	3
7900	Profit from continuing operations before tax	138,426	2	126,259	3
7951	Less: Income tax expenses (note 6(r))	18,533	-	7,471	-
	Profit	119,893	2	118,788	3
8300	Other comprehensive income:				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8316	Unrealized (losses) gains from investments in equity instruments measured at fair value through other comprehensive income	(393)	-	(62)	-
8349	Less: income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
8300	Other comprehensive income	(393)	-	(62)	-
	Total comprehensive income	\$ <u>119,500</u>	<u>2</u>	<u>118,726</u>	<u>3</u>
	Profit (loss), attributable to:				
8610	Profit attributable to owners of parent	\$ 112,660	2	131,468	3
8615	Profit (loss), attributable to former owner of business combination under common control	7,233	-	(12,680)	-
		\$ <u>119,893</u>	<u>2</u>	<u>118,788</u>	<u>3</u>
	Comprehensive income attributable to:				
8710	Comprehensive income, attributable to owners of parent	\$ 112,267	2	131,406	3
8715	Comprehensive income, attributable to former owner of business combination under common control	7,233	-	(12,680)	-
		\$ <u>119,500</u>	<u>2</u>	<u>118,726</u>	<u>3</u>
	Earnings per share (NT dollars) (note 6(t))				
9750	Basic earnings per share	\$ <u>0.35</u>		<u>0.44</u>	
9850	Diluted earnings per share	\$ <u>0.35</u>		<u>0.44</u>	

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
NORTH-STAR INTERNATIONAL CO., LTD.

Statements of Changes in Equity

For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	Share capital	Retained earnings				Other equity interest		Total equity
		Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	to former owner of business combination under common control	
Ordinary shares	Capital surplus							
\$ 2,462,493	838,381	114,765	1,693	202,679	319,137	(1,675)	-	3,618,336
-	-	-	-	-	-	-	308,929	308,929
2,462,493	838,381	114,765	1,693	202,679	319,137	(1,675)	308,929	3,927,265
-	-	14,002	-	(14,002)	-	-	-	-
-	-	-	-	18	(148,228)	-	-	(148,228)
-	-	-	-	(148,228)	(148,228)	-	-	(148,228)
-	-	14,002	(18)	(162,212)	131,468	-	(12,680)	118,788
-	-	-	-	131,468	-	(62)	-	(62)
-	-	-	-	-	131,468	(62)	(12,680)	118,726
-	-	-	-	-	-	-	-	225,661
111,550	114,111	-	-	-	-	-	-	-
215,264	(215,264)	-	-	(242)	(242)	-	-	(242)
-	-	-	-	-	-	-	-	8,175
-	8,175	-	-	-	-	-	-	-
-	346	-	-	-	-	-	-	346
2,789,307	745,749	128,767	1,675	171,693	302,135	(1,737)	296,249	4,131,703
-	-	14,161	-	(14,161)	-	-	-	-
-	-	-	62	(62)	-	-	-	-
-	-	-	-	(112,140)	(112,140)	-	-	(112,140)
-	-	14,161	62	(126,363)	(112,140)	-	-	(112,140)
-	-	-	-	112,660	112,660	-	7,233	119,893
-	-	-	-	-	(393)	(393)	-	(393)
-	-	-	-	112,660	112,660	(393)	7,233	119,500
-	-	-	-	-	-	-	-	392,718
194,762	197,956	-	-	-	-	-	-	-
280,350	(280,350)	-	-	-	-	-	-	-
-	(84,105)	-	-	-	-	-	-	(84,105)
-	(35,134)	-	-	-	-	-	(303,482)	(338,616)
-	1,233,224	-	-	-	-	-	-	1,233,224
-	6,961	-	-	-	-	-	-	6,961
3,264,419	1,784,301	142,928	1,737	157,990	302,655	(2,130)	-	5,349,245
\$								

Balance on January 1, 2022
Retrospective adjustment of equity attributable to former owner due to reorganization of entities under common control
Equity at beginning of period after adjustments
Appropriation and distribution of retained earnings:
Legal reserve appropriated
Special reserve appropriated
Cash dividends of ordinary share
Profit (Restated)
Other comprehensive income
Total comprehensive income
Conversion of convertible bonds
Stock dividends from capital surplus
Reorganization
Share-based payments
Share-based disorgement
Exercise of disorgement
Balance on December 31, 2022 (Restated)
Appropriation and distribution of retained earnings:
Legal reserve appropriated
Special reserve appropriated
Cash dividends of ordinary share
Profit
Other comprehensive income
Total comprehensive income
Conversion of convertible bonds
Stock dividends from capital surplus
Cash dividends from capital surplus
Reorganization
Difference between consideration and carrying amount of subsidiaries acquired or disposed
Changes in ownership interests in subsidiaries
Balance on December 31, 2023

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
NORTH-STAR INTERNATIONAL CO., LTD.

Statements of Cash Flows
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	2023	2022 (Restated)
Cash flows from (used in) operating activities:		
Profit before tax	\$ 138,426	126,259
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	147,401	128,413
Amortization expense	2,194	1,650
Expected credit impairment loss	77	-
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	(14)	1,819
Interest expense	99,498	65,714
Interest income	(5,378)	(1,337)
Dividend income	(117)	(96)
Share-based payments	1,141	1,092
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	(86,109)	(111,616)
Loss on disposal of property, plant and equipment	42	89
Loss on disposal of investments accounted for using equity method	1,651	-
Gain on lease modification	(340)	(459)
Total adjustments to reconcile profit	<u>160,046</u>	<u>85,269</u>
Changes in operating assets and liabilities:		
Notes receivable	(696)	(5)
Trade receivable	(7,888)	(2,726)
Other receivable	(13,381)	(1,740)
Inventories	(667,145)	(221,241)
Other current assets	<u>(66,517)</u>	<u>(13,482)</u>
Total changes in operating assets	<u>(755,627)</u>	<u>(239,194)</u>
Contract liabilities	145,656	51,179
Notes payable	310	(2,502)
Trade payable	369,425	174,344
Other payable	12,075	31,793
Other current liabilities	<u>(25,213)</u>	<u>(7,727)</u>
Total changes in operating liabilities	<u>502,253</u>	<u>247,087</u>
Total changes in operating assets and liabilities	<u>(253,374)</u>	<u>7,893</u>
Total adjustments	<u>(93,328)</u>	<u>93,162</u>
Cash inflow generated from operations	45,098	219,421
Interest received	5,378	1,337
Dividends received	37,479	197,999
Interest paid	(85,259)	(59,341)
Income taxes paid	<u>(1,952)</u>	<u>(27,124)</u>
Net cash flows from operating activities	<u>744</u>	<u>332,292</u>

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
NORTH-STAR INTERNATIONAL CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022 (Restated)
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(30,000)	-
Acquisition of investments accounted for using equity method	(94,403)	(2,475,750)
Acquisition of property, plant and equipment	(412,393)	(65,745)
Proceeds from disposal of property, plant and equipment	-	32,070
Increase in refundable deposits	(103,740)	(108,860)
Acquisition of intangible assets	(2,614)	(573)
Acquisition of right-of-use assets	(2,246)	-
Acquisition of investment properties	(1,072,440)	-
Increase (Decrease) in other financial assets	111,703	(339,467)
Decrease in other non-current assets	-	10
Increase in prepayments for business facilities	(118,981)	(15,667)
Net cash flows used in investing activities	(1,725,114)	(2,973,982)
Cash flows from (used in) financing activities:		
(Decrease) increase in short-term loans	(405,000)	633,960
Increase in short-term notes and bills payable	90,967	199,856
Proceeds from issuing bonds	-	1,184,333
Proceeds from long-term debt	1,458,000	1,001,239
Repayments of long-term debt	(1,195,390)	(245,720)
Increase in guarantee deposits received	16,905	20
Revenues from disgorgements	-	433
Payment of lease liabilities	(96,856)	(84,101)
Cash dividends paid	(196,245)	(148,228)
Disposal of ownership interests in subsidiaries (without losing control)	2,193,401	-
Net cash flows from financing activities	1,865,782	2,541,792
Net increase (decrease) in cash and cash equivalents	141,412	(99,898)
Cash and cash equivalents at beginning of period	131,844	231,742
Cash and cash equivalents at end of period	\$ 273,256	131,844

See accompanying notes to parent company only financial statements.

NORTH-STAR INTERNATIONAL CO., LTD.

Procedures for Loaning Funds to Others

Chapter 1 General Provisions

Article 1 The Company's Procedures for Loaning Funds to Others (hereinafter referred to as these "Procedures") are established in accordance with Article 36-1 of the Securities and Exchange Act and the "Regulations Governing Loaning of Funds and Making of Endorsements and Guarantees by Public Companies" promulgated by the competent authorities.

Article 2. The Company shall follow the provisions of these Procedures in handling loans of funds to others. However, if other laws and regulations stipulate otherwise, they shall be followed.

Article 3. 1. In accordance with Article 15 of the Company Act, the Company's capital shall not be lent to shareholders or any other persons except under the following circumstances:

- (1) A company having business with the Company calls for such capital loan.
- (2) A company with short-term financing needs calls for such capital loan, and the financing amount does not exceed 40% of the net worth of the lending enterprise. The Company may only lend capital funds to subsidiaries in which the Company directly or indirectly owns at least 50% of the voting shares.
2. The term "Short-term" mentioned in the preceding paragraph refers to a period of one year or one business cycle, whichever is longer.
3. The "financing amount" mentioned in Subparagraph 2 of Paragraph 1 of this Article refers to the cumulative balance of the Company's short-term financing.
4. There will be no restriction as stipulated in Subparagraph 2 of Paragraph 1 of this Article, if foreign companies in which the Company directly or indirectly owns 100% of the voting shares engage in capital loans with each other or if a foreign company in which the Company directly or indirectly owns 100% of the voting shares engages in a capital loan with the Company. However, the total amount of the capital loan, the limit for each target group, and the term of the capital loan shall be specified.

Article 4. 1. Subsidiaries and parent companies referred to in these Procedures shall be recognized in accordance with the Regulation Governing the Preparation of Financial Reports by Securities Issuers.

2. The net worth referred to in these Procedures shall mean the equity attributable to the owners of the parent company as defined in the balance sheet in accordance with the Regulation Governing the Preparation of Financial Reports by Securities Issuers.

- Article 5.
1. The term “Announcement and Declaration” mentioned in these Procedures refers to the information declaration website designated by the Financial Supervisory Commission.
 2. The term “Date of Occurrence” mentioned in these Procedures refers to the signing date, the payment date, the resolution date of the Board of Directors, or other date on which the loan recipient and amount are determined in full, whatever comes first.

Chapter 2 Establishment of Handling Procedures

- Article 6.
1. If the Company plans to lend its capital to others, the Company shall follow the “Regulations Governing Loaning of Funds and Making of Endorsements and Guarantees by Public Companies” promulgated by the competent authority to formulate the procedures for lending the capital to others, and after the approval of at least one-half of all members of the Audit Committee and the approval of the Board of Directors, the Company shall submit it to the shareholders’ meeting for approval; if any of the directors expresses their dissenting opinion and there is a record or a written statement of such dissenting opinion, the Company shall submit the dissenting opinion to the shareholders’ meeting for discussion, and the same shall apply to amendments.
 2. The opinions of the Company’s independent directors shall be taken into full consideration when the procedures for loaning funds to others is submitted to the board of directors’ meeting for discussions in accordance with the preceding paragraph, and any objections or reservations of the opinions expressed by the independent directors shall be stated in the minutes of the board meeting.
 3. If the capital loan is not approved by at least one-half of all members of the Audit Committee as stipulated in Paragraph 1 of this Article, the loan shall be approved by at least two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the board meeting.
 4. All members of the Audit Committee and all directors referred to in the preceding paragraph are counted as if they were actually in office.

- Article 7. The Company’s procedures of loaning funds to others are as follows:

1. Recipient of loans and funds:

The recipient of the Company's loans and funds are companies or enterprises described in Paragraph 1 of Article 3 of these Procedures.

2. Evaluation criteria for loaning funds to others:

- (1) If a capital loan is made for business relationships, the loan shall be evaluated to determine whether the loan amount is equivalent to the business amount.
- (2) If there is a need for short-term financing, the reasons and circumstances for obtaining the loan shall be listed.

3. Limits on capital loan and total amount and individual loan recipients:

- (1) The limit on the Company's funds loaned to a single company as defined in Subparagraph 1 of Paragraph 1 of Article 3 of these Procedures shall be no more than the total amount of the Company's business with such company in the most recent year and no more than 10% of the net worth of the Company's most recent financial statements.
- (2) If the Company's funds are lent to a single company as described in Subparagraph 1 of Paragraph 1 of Article 3 of these Procedures, the limit of the loan shall not exceed 10% of the net worth of the Company's most recent financial statements.
- (3) The total amount of the loan as described in Paragraph 2 above shall not exceed 40% of the net worth of the Company's most recent financial statements.
- (4) The cumulative amount of funds loaned between foreign companies with 100% of the voting shares directly and indirectly owned by the Company, or a foreign company with 100% of the voting shares directly or indirectly owned by the Company engaging a capital loan with the Company shall be limited to no more than 50% of the net worth of the Company's most recent financial statements, and the cumulative amount of loans to individual loan receivers shall be limited to no more than 50% of the Company's most recent financial statements, and the term of the loans shall be limited to ten years.

4. Capital loan, term and interest calculation method:

- (1) The term of the capital loan shall be limited to one year or one business cycle from the actual date of loan, and may be repaid in installments. In the event of special circumstances that warrant an extension of the loan period, such extension shall be approved by a resolution of the Board of Directors.
- (2) The interest rate on capital loans shall not be lower than the maximum interest rate on short-term borrowings from financial institutions, and shall be calculated on a monthly basis with interest payable once a month, and shall be adjusted in accordance with the actual situation after the Board of Directors' approval in case of special circumstances.

5. Procedures for handling capital loans:

When each unit of the Company accepts a request for financing from the aforesaid objects, the relevant department shall, in accordance with the review procedures set forth in Paragraph 6 of this Article, issue an opinion on whether or not to lend money, as well as the term of the loan and the method of calculating the interest rate, etc., which shall be submitted to the Chairman for approval and the Board of Directors for resolution.

The Chairman may be authorized by a board of directors' resolution in accordance with the preceding paragraph to make loans to the same borrower in installments or on a recurring basis within a certain amount and within a period of no more than one year as resolved by the Board of Directors.

Except for the provisions of Paragraph 4 of Article 3 of these Procedures, the authorized amount to be lent to a single enterprise shall not exceed 10% of the net worth of the Company's most recent financial statements.

6. Detailed review procedure:

(1) Necessity and reasonableness of loaning funds to others:

After the Company accepts an application, the responsible department will evaluate the necessity and reasonableness of the loan, whether the loan recipient has a direct business relationship with the Company, or whether there is a need for short-term financing.

(2) Credit and risk assessment of loan recipients:

When applying for a loan from the Company, the borrower shall submit an application form or letter detailing the amount of the loan, the term of the loan, the purpose of the loan and the provision of guarantees, and shall also provide basic information and financial information to the Company to facilitate the credit and risk assessment process.

If a loan is made to a company with which the Company has a business relationship, the Company shall evaluate whether the amount of the loan is equivalent to the amount of the business transactions with such company. The total amount of business transactions is the amount of purchases or sales between the two parties, whatever is higher. If a loan is made to a company for which short-term financing is necessary, the Company shall evaluate whether it is necessary to provide short-term financing to the Company's major customers or suppliers for the purpose of purchasing materials or operational turnover, or for other reasons such as for the Company's strategic purposes, and whether credit rights can be secured.

(3) Impact on the Company's operating risks, financial condition and shareholders' equity:

In connection with a loan of funds, the Company shall evaluate the purpose of the loan, the reason and necessity for the loan of funds, the terms of the guarantee, and the impact on the Company's operating risk, financial condition, and stockholders' equity.

(4) Whether collaterals and the appraised value of collaterals should be obtained:

The Company shall evaluate whether it is necessary to obtain the same amount of collaterals for loans or short-term financing and, if necessary, shall establish collaterals for movable or immovable properties. The Company shall also evaluate on a quarterly basis whether the value of the collaterals is equivalent to the remaining balance of the loans or short-term financing and, if necessary, shall increase the amount of collaterals.

If the borrower provides individual or corporate guarantees of substantial financial resources and creditworthiness in lieu of providing collaterals for the aforesaid loans, the Board of Directors may refer to the review report of the responsible department; if the guarantee is provided by a corporation, the Board of Directors shall pay attention to whether the articles of incorporation of the corporation have set the provision of guarantees.

All collaterals, except land and securities, shall be insured against fire, and vehicles shall be insured against all risks; the insurance amount shall not be lower than the collateralized value of the collaterals, the insurance policy shall be endorsed with the Company as the beneficiary, and the details and conditions of the insurance policy shall be in line with the Company's original underwriting terms and conditions. The undertaker shall pay attention to the notification of the borrower to continue the insurance before the expiration of the insurance period.

7. Announcement and Declaration Procedures:

Each unit of the Company shall fill in the related information and detailed statement of the funds loaned to others during the previous month and send them to the Finance Department for review and compilation before the tenth day of each month, and then announce and declare the information in accordance with the provisions of Articles 11 and 12 of these Procedures.

8. Subsequent control measures of the loaned amount, and procedures for handling overdue debts:

Borrowers shall repay the principal and interest immediately upon maturity. If the loan is overdue and the borrower is unable to repay the debt after demand for payment, the Finance Department shall immediately notify the legal staff to take further demand actions against the borrower to ensure the Company's interests. In case of violation, the Company is entitled to take legal action and recover the debt in accordance with the law for the collateral or guarantor provided.

9. Penalties imposed on managers and organizers for violations of these Procedures or the Company's procedures for endorsement and guarantee practices:

In the event that the Company's managers and organizers violate the relevant provisions of these Procedures and cause the Company to suffer losses, appropriate penalties shall be imposed in accordance with the relevant provisions of the Company's Personnel Management Rules and Regulations and in accordance with the division of authority and responsibility.

10. Procedures for controlling capital loans for subsidiaries and others:

The Company's subsidiaries loaning funds to others shall not violate the regulations of the competent authorities and relevant laws and regulations. If a subsidiary of the Company plans to loan funds to others, the Company shall order the subsidiary to formulate operating procedures for loaning funds to others and submit them to the Shareholders' Meeting for resolution before implementation.

The Company shall order its subsidiaries to follow the procedures for lending funds to others and shall implement these Procedures after the resolution of the shareholders' meeting of the subsidiaries.

Chapter 3 Individual Case Evaluation

- Article 8.
1. Before loaning funds to others, the Company shall carefully evaluate whether it complies with the provisions of these Procedures, and submit the results of such evaluation together with the results of the evaluation described in Paragraph 6 of Article 7 of these Procedures to the Board of Directors for resolution, and shall not authorize other persons to make such a decision.
 2. Loans of funds between the Company and its parent company or subsidiaries, or between subsidiaries of the Company, shall be submitted to the Board of Directors for resolution in accordance with the preceding paragraph, and the Chairman of the Board of Directors is authorized to make loans to the same loan recipients in installments or on a recurring basis within a certain amount and within a period of not more than one year as resolved by the Board of Directors.
 3. Unless otherwise provided in Paragraph 4 of Article 3 of these Procedures, the authorized amount of funds loaned by the Company or its subsidiaries to a single enterprise shall not exceed 10% of the net worth of the most recent financial statements of that enterprise.
 4. In case of the Company's independent directors or the Company's loans funds to others, due consideration shall be given to the opinion of each independent director and the specific opinion of each independent director concurring with or

dissenting from the opinion and the reasons for the dissenting opinion shall be included in the board meeting minutes.

- Article 9.
1. The Company shall set up a record book to record the recipient, amount, date of approval by the board of directors, date of loan, and items that should be prudently evaluated in accordance with Paragraph 1 of the preceding Article when handling capital loan matters.
 2. The Company's internal auditors shall audit the procedures and execution of loaning funds to others at least on a quarterly basis and keep a written record thereof, and shall immediately notify the independent directors in writing of any major violation discovered.

- Article 10.
- When circumstances change and the loan recipient does not comply with the provisions of these operating procedures or the balance exceeds the limit, the Company shall formulate an improvement plan, submit the relevant improvement plan to the independent directors, and complete the improvement according to the planned schedule.

Chapter 4 Information Disclosure

- Article 11
- The Company shall make an announcement before the tenth day of each month to declare the capital loans and balances of the Company and its subsidiaries for the previous month.

- Article 12
1. If the Company's loan balance reaches one of the following levels, it shall make announcements and declarations within two days from the date of occurrence:
 - (1) The balance of funds loaned by the Company and its subsidiaries to others reaches more than 20% of the net worth of the Company's most recent financial statements.
 - (2) The balance of funds loaned by the Company and its subsidiaries to a single enterprise reaches more than 10% of the net worth of the Company's most recent financial statement.
 - (3) The amount of new capital loans of the Company or its subsidiaries exceeds NT\$10 million and exceeds 2% of the net worth of the Company's most recent financial statements.
 2. If the company's subsidiary is not a domestic public offering company, the Company shall handle the subsidiary's matters that should be announced and declared as set forth in Paragraph 3 of the preceding paragraph.

- Article 13.
- The Company shall evaluate the situation of capital loans and set aside adequate provisions for bad debts, appropriately disclose relevant information in financial

reports, and provide relevant information to certified accountants to perform necessary audit procedures.

Chapter 5 Supplementary Provisions

Article 14. Matters not covered in these Procedures shall be handled in accordance with the relevant regulations of the competent authorities.

Article 15. These Procedures shall be approved by the Board of Directors and the same shall apply to amendments.

NORTH-STAR INTERNATIONAL CO., LTD.

Rules for Procedure of Board Meetings

Passed by the Board of Directors on March 8, 2024

Chapter 1 General Provisions

Article 1. To establish a good board governance system, improve the supervision function and strengthen the management function of the Company, these rules are formulated in accordance with Article 2 of the “Regulations Governing Procedure for Board of Directors Meetings of Public Companies” for compliance.

Article 2. In the Company’s Rules for Procedure of Board Meeting, the main agenda items, operational procedures, required content of meeting minutes, public announcements, and other compliance requirements for board meetings of shall be handled in accordance with these Rules.

Article 3. The board of directors shall meet at least quarterly, which shall be set out in the rules of procedure

The reasons for calling a board meeting shall be notified to each director and supervisor at least seven days in advance. In emergency circumstances, however, a meeting may be called on shorter notice.

The notice set forth in the preceding paragraph may become effective by means of electronic transmission, after obtaining prior consent from the recipients thereof.

All matters set out in the subparagraphs of Paragraph 1 of Article 7 shall be specified in the notice of the reasons for calling a board meeting; and none of them may be raised by an extraordinary motion.

Article 4. The Company’s board meeting shall be held at the location and during the business hours of the Company, or at a place and time convenient for attendance by all directors and suitable for holding a board meeting.

Article 5. The Company’s Board of Directors shall appoint Financial Department as the agenda working group.

The agenda working group shall prepare agenda items for board meetings and provide comprehensive meeting materials, to be sent together with the notice of the meeting.

A director, whose opinion provided in the meeting materials are insufficiently comprehensive, may request the agenda working group to supplement the materials. If a director is of the opinion that materials concerning any proposal are insufficient in content, the deliberation of such proposal may be postponed by a resolution of the Board of Directors.

Article 6. Agenda items for the Company's regular board meetings shall include at least the following:

1. Reports:
 - (1) Minutes of the last meeting and actions arising.
 - (2) Reporting on important financial and business matters.
 - (3) Reporting on internal audit activities.
 - (4) Other important matters to be reported.
2. Discussions:
 - (1) Items discussed and continued from the last meeting.
 - (2) Items for discussion at this meeting.
3. Extraordinary motions

Article 7. The Company shall submit the following items for discussion by the Board of Directors:

1. The Company's business plan.
2. First-quarter, second-quarter, third-quarter, and annual financial reports, with the exception of the first-quarter, second-quarter and third-quarter financial reports which, under relevant laws and regulations, need not be audited and attested by a certified public accountant.
3. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act (hereinafter referred to as the "Act", and an assessment of the effectiveness of the internal control system.
4. Adoption or amendment, pursuant to Article 36-1 of the Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others.
5. Offering, issuance, or private placement of any equity-type securities.
6. Election or discharge of the Chairman
7. Appointment or discharge of a financial, accounting, or internal audit officer.
8. Donation to a related party or a major donation to a non-related party provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the following board meeting for retroactive recognition.
9. Any matter required by Article 14-3 of the Act or any other law, regulation, or bylaw to be approved by resolution at a shareholders' meeting or board meeting, or any such significant matter as may be prescribed by the competent authority.

The term "related party" in Subparagraph 8 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers; The term "major donation to a non-related party" means any individual donation or cumulative donations within a 1-year period to a single recipient, at an amount of NTD100 million or more, or at an amount equal to or greater than 1

percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year. (In the event that the shares of a foreign company has no par value or the par value of each share is not NT\$10, the amount of five percent of the paid-in capital stated above shall be calculated on the basis of 2.5% of the shareholders' equity.)

The term "within a 1-year period" in the preceding paragraph means a period of 1 year calculated retroactively from the date on which the current board meeting is convened. Amounts already submitted to and passed by a resolution of the board are exempted from inclusion in the calculation.

There shall be at least one independent director attending the board meeting in person. In the case of a meeting concerning any matter required to be submitted for a resolution by the board of directors under paragraph 1, each independent director shall attend in person; if an independent director is unable to attend in person, he or she shall appoint another independent director to attend as his or her proxy. If an independent director expresses any objection or reservation about a matter, it shall be recorded in the board meeting minutes. An independent director intending to express an objection or reservation but unable to attend the meeting in person shall, unless there is some legitimate reason to do otherwise, issue a written opinion in advance, which shall be recorded in the meeting minutes.

Article 8. Apart from matters referred to in Paragraph 1 of the preceding article, which are required to be submitted for discussion by the Board of Directors, when the Board of Directors delegates any exercise of its powers pursuant to laws or regulations or the company's articles of incorporation, matters such as the level and substance of the delegation shall be concretely and specifically set out.

Article 9. When a board meeting is held, an attendance book shall be made ready for signature by directors attending the meeting and thereafter made available for future reference. All directors shall attend board meetings in person; if attendance in person is not possible, they may, pursuant to the Company's Articles of Association, appoint another director to attend as their proxy. Attendance via tele- or video-conference is deemed as attendance in person.

A director appointing another director to attend a board meeting in his or her place shall in each case give to that director a written proxy stating the scope of authorization with respect to the reasons for meeting.

A proxy under Paragraph 2 may accept a proxy from one person only.

Article 10. Where a board meeting is called by the Chairman of the Board of Directors, the meeting shall be chaired by the Chairman. However, where the first meeting of each newly elected board of directors is called by the director who received votes representing the largest portion of voting rights at the shareholders' meeting in which the directors were elected, the meeting shall be chaired by that director; if there are

two or more directors so entitled to call the meeting, they shall choose one person by and from among themselves to chair the meeting.

Where a meeting of the board of directors is called by a majority of directors on their own initiative in accordance with Paragraph 4 of Article 203, or Paragraph 3 of Article 203-1 of the Company Act, the directors shall choose one person by and from among themselves to chair the meeting.

When the Chairman is on leave or for any reason is unable to exercise the powers of the chairperson, the Vice Chairman shall do so in place of the Chairman, or, if there is no Vice Chairman or the Vice Chairman also is on leave or for any reason is unable to act, a managing director shall be designated by the Chairman, or, if there is no managing director, a director shall be designated thereby, or, if the Chairman does not make such a designation, a managing director or director shall be elected by and from among themselves.

Article 11. When holding a board meeting, the Company may, as necessary for the agenda items of the meeting, notify personnel of relevant departments or subsidiaries to attend the meeting. When necessary, the Company may also invite certificated public accounts, attorneys, or other professionals to attend as nonvoting participants and to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place.

Article 12. When the meeting time is due and one-half of all directors are not present, the chairperson of the meeting may announce that the meeting time will be postponed on the same day, provided that no more than two postponements are made. If the quorum is still not met after two postponements, the chairperson may re-convene the meeting following the procedures provided in Paragraph 2 of Article 3.

The term “all directors” as used in the preceding paragraph and Subparagraph 2 of Paragraph 2 of in Article 1 shall be calculated as the number of directors then in office.

Article 13. A board meeting shall be conducted in accordance with the order of business on the agenda as specified in the meeting notice. However, the order may be changed with the approval of a majority of directors present at the meeting.

The chairperson of the meeting may not declare the adjournment of the meeting without the approval of a majority of directors present at the meeting.

If at any time during the proceedings of a board meeting and the directors sitting at the meeting are not more than half of the directors present at the meeting, then upon motion by the directors sitting at the meeting, the chairperson shall declare a suspension of the meeting, in which case Paragraph 1 of the preceding article shall apply mutatis mutandis.

During the proceedings of a board meeting, if the chairperson is unable to chair the meeting or fails to declare the adjournment of the meeting as provided in Paragraph 2, the provisions of Paragraph 3 of Article 10 shall apply mutatis mutandis to the selection

of the deputy to act in place thereof.

- Article 14. When the chairperson at a board meeting is of the opinion that a matter has been sufficiently discussed to a degree of putting to a vote, the chairperson may announce the discussion closed and bring the matter to vote.
- When a proposal comes to a vote at a board meeting, if the chairperson puts the matter before all directors present at the meeting and none voices an objection, the matter is deemed approved.
- “All directors present at the meeting” in the preceding two paragraphs does not include directors prohibited from exercising voting rights pursuant to Paragraph 1 of Article 16,.
- The method of voting on matters at board meetings shall be specified in one of the following manners. However, if those present have objections, the majority opinion shall be sought to decide.
1. Voting by show of hands or by voting machines
 2. Voting by recorded votes
 3. Voting by ballots
 4. Voting by the method chosen by the Company
- Article 15. Except as otherwise stated in the Act or in the Company Act, a resolution on a matter at a board meeting requires the approval of a majority of the directors present at the meeting that shall be attended by a majority of all directors.
- When there are amendments or substitutions to the same motion, the chairperson shall determine the order of voting based on the original motion. However, if one of the motions has been passed, the other motions will be deemed to have been rejected and no further vote is required.
- If it is necessary to set up scrutineers and counting personnel for voting on a proposal, they shall be designated by the chairperson, but the scrutineers shall have the status of directors.
- The results of the voting shall be reported on the spot and recorded.
- Article 16. If any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the Company’s interests, the director may not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item and may not act as another director’s proxy to exercise voting rights on that matter.
- Where The spouse or a blood relative within the second degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, is an interested party with respect to an agenda item as described in the preceding paragraph, such director shall be deemed to be an interested party with respect to that agenda item.

(Amendments added)

The provisions of Paragraph 2 of Article 180 of the Company Act, as applied mutatis mutandis under Paragraph 4 of Article 206 of that Act, apply to resolutions of board meetings when a director is prohibited by the preceding two paragraphs from exercising voting rights.

Article 17. Minutes shall be prepared for board meetings. The minutes shall record the following:

1. Session (or year), time, and place of meeting.
2. Name of chairperson of the meeting.
3. Attendance of directors at the meeting, specifying the names and number of members present, excused, and absent.
4. Names and titles of those attending the meeting as nonvoting participants.
5. Name of minutes taker.
6. Matters reported on.
7. Discussion items: The method of resolution and the result for each proposal; a summary of the comments made by directors, supervisors, experts, or other persons; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing; and any opinion issued in writing by an independent director under Paragraph 5 of Article 7.
8. Extraordinary motions: the name of the mover; the method of resolution and the result for each motion; a summary of the comments made by directors, supervisors, experts, or other persons; the name of any director that is an interested party as referred to in Paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing.
9. Other matters required to be recorded.

Any of the following matters in relation to a resolution passed at a meeting of the board of directors shall be stated in the meeting minutes and within two days of the meeting be published on an information reporting website designated by the competent authority:

 1. Any matter about which an independent director expresses an objection or reservation that has been included in records or stated in writing.

2. If the Company has an audit committee, any matter that has not been passed by the audit committee, but has been adopted with the approval of two-thirds or more of all board directors without having been passed by the audit committee.

The minutes of a board meeting shall bear the signature or seal of both the chairperson and the minutes taker of the meeting; a copy of the minutes shall be distributed to each director and supervisor within twenty (20) days after the meeting and well preserved as important company records during the existence of the company. The production and distribution of the meeting minutes referred to in Paragraph 1 may be done in electronic form.

Article 18. The Company shall record on audio or video tape the entire proceedings of a board meeting, and preserve the recordings for at least five years, in electronic form or otherwise.

If before the end of the preservation period referred to in the preceding paragraph any litigation arises in connection with a resolution of a board meeting, the relevant audio or video recordings shall continue to be preserved until the litigation is concluded.

Where a board meeting is held via tele- or video conferencing, the audio and visual documentation of the meeting form a part of the meeting minutes and shall be well preserved during the existence of the Company.

Article 19. If the Board of Directors has managing directors, the provisions of Article 2, Paragraph 2 of Article 3, Articles 4 to 6, Article 9, and Articles 11 to 18 shall apply mutatis mutandis to the procedure for meetings of the managing directors and the provisions of Paragraph 4 of Article 3 shall apply mutatis mutandis to the election or discharge of the Chairman of the Board of Directors. However, if a meeting of managing directors is scheduled to be convened within seven days, the notice to each managing director may be made two days in advance.

Article 20. The formulation and amendments of these Procedures shall be approved by the Company's Board of Directors before implementation.

These rules were approved by the Board of Directors on March 20, 2007.

The first amendment was approved by the Board of Directors on March 7, 2012.

The second amendment was approved by the Board of Directors on March 21, 2013.

The third amendment was approved by the Board of Directors on March 12, 2018.

The fourth amendment was approved by the Board of Directors on March 21, 2019.

The fifth amendment was approved by the Board of Directors on March 17, 2020.

The sixth amendment was approved by the Board of Directors on March 16, 2021.

The seventh amendment was approved by the Board of Directors on October 13, 2022.

The eighth amendment was approved by the Board of Directors on March 8, 2024.

NORTH-STAR INTERNATIONAL CO., LTD.

Rules for Procedure of Shareholders' Meetings

Passed by the shareholders' meeting on June 23, 2022

Article 1 (Basis of formulation)

These rules are formulated in accordance with Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies to establish a good shareholder governance system, improve the supervision function and enhance the management function of the company.

Article 2 The rules for procedure of shareholders' meetings of the company shall be in accordance with these rules, unless otherwise stipulated by laws or the company's Articles of Association.

Article 3 (Convening and meeting notice of shareholders' meetings)

The shareholders' meeting of the company shall be convened by the board of directors unless otherwise stipulated by laws and regulations.

Changes in the method of convening the shareholders' meeting of the company shall be resolved by the board of directors, and shall be implemented no later than the notice of the shareholders' meeting is mailed.

The company shall prepare the notice of the shareholders' meeting, the form of the power of attorney, the reasons and explanations for various proposals related to the admission, discussion, election or dismissal of directors, etc. in form of electronic files and sent them to the Public Information Observatory, thirty (30) days before the general shareholders' meeting or fifteen (15) days before the extraordinary shareholders' meeting. The company shall also send the handbook of the annual shareholders' meeting and the supplementary materials of the meeting in form of electronic files and send them to the Public Information Observatory, twenty one (21) days before the general shareholders' meeting or fifteen (15) days before the extraordinary shareholders' meeting. However, since the company's paid-in capital amounted to NT\$10 billion or more at the end of the most recent fiscal year, or the company held a general meeting of shareholders in the most recent fiscal year and the total shareholding ratio of foreign capital and mainland capital listed in the register of shareholders reached 30% or more, the transmission of the above-mentioned electronic files shall be completed thirty (30) days before the general shareholders' meeting. The company shall, fifteen (15) days before the shareholders' meeting, prepare the handbook of the current annual shareholders' meeting and supplementary materials for the meeting, which are provided for shareholders to request and read at any time, and exhibit them in the company and the professional stock agency appointed by the company.

The company shall provide shareholders the aforementioned handbook and supplementary materials for reference on the day of the shareholders' meeting in the following manner:

1. When a physical shareholders' meeting is called, the handbook and supplementary materials shall be handed out at the shareholders' meeting.
2. When a video-assisted shareholders' meeting is called, the handbook and supplementary materials shall be handed out at the shareholders' meeting and sent in form of electronic files to the shareholder video conferencing platform.
3. When a shareholders' meeting through video conferencing is called, the handbook and supplementary materials shall be sent in form of electronic files to the shareholder video conferencing platform.

The notice and announcement shall specify the reason for the convening; the notice may be presented in an electronic form if the counterparty agrees. Appointment or dismissal of directors, change of Articles of Association, capital reduction, application for cessation of public offering, no-competition duty of directors, capital increase from surplus, capital increase from common reserves, company dissolution, merger, division or any matter of Paragraph 1 of Article 185 of the Company Act, any matter related to Articles 26-1 and 43-6 of the Securities Exchange Law, and any matter Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be listed in the reasons for the convening and the main content in the reason for the convening shall be explained, but they shall not be proposed as extraordinary motions.

The reason for convening the shareholders' meeting has stated the overall re-election of directors and the date of their inauguration. After the re-election of the shareholders' meeting of that particular time is completed, the date of their inauguration shall not be changed in the same meeting through extraordinary motions or other means.

Shareholders who hold more than 1% of the total number of shares issued may raise a proposal in the general shareholders' meeting of the company, but the number of proposals raised by the same shareholder is limited to one only, and more than one proposals raised by the same shareholder shall not be included in the motion. In any of the situations in Paragraph 4 of Article 172-1 of the Company Act, the board of directors may not include such proposal in the motion. Shareholders may raise suggestive proposals to urge the company to promote public interests or fulfill social responsibilities. In accordance with the relevant regulation as stipulated in Article 172-1 of the Company Act, the procedure limits the number of the above-mentioned suggestive proposals to one, and more than one proposals raised by the same shareholder shall not be included in the motion.

The company shall announce the accepted shareholder's proposal, the acceptance through writing or electronic form, the location of acceptance and the period of acceptance before the general shareholders' meeting and before the stock transfer closing date. The period of acceptance shall not be less than ten (10) days.

Each proposals made by shareholders is limited to 300 words and those exceeding 300 words shall not be included in the motion; the shareholder who makes the proposal shall attend the general shareholders' meetings in person or entrust others to attend the meeting and participate in the discussion of the proposal.

The company shall notify the shareholder who makes the proposal about the processing results before notice date of convening the shareholders' meeting, and include the proposals that meet the provisions of this article in the meeting notice. For shareholders'

proposals that are not included in the motions, the board of directors shall state the reason why they are not included.

Article 4 (Entrustment to attend shareholders' meeting and authorization)

Shareholders may show a power of attorney printed by the company in a shareholders' meeting for every time, specifying the scope of authorization and entrusting an agent to attend the shareholders' meeting.

A shareholder may issue one power of attorney and entrust only one person, and the power of attorney shall be delivered to the company five (5) days before the shareholders' meeting. If there are duplicate powers of attorneys, the one delivered first shall prevail. However, this does not apply to the case with a declaration of revoking the previous power of attorney. After the power of attorney is delivered to the company, if the shareholder wishes to attend the shareholders' meeting in person or exercise voting rights in writing or electronic means, he shall notify the company in writing of the cancellation of the entrustment two (2) days before the shareholders' meeting; if the cancellation is overdue, the proxy shall be present to exercise the voting rights.

After the power of attorney is delivered to the company, if the shareholder wishes to attend the shareholders' meeting by video conferencing, he shall notify the company in writing of the cancellation of the entrustment two (2) days before the shareholders' meeting; if the cancellation is overdue, the proxy presenting to exercise the voting rights shall prevail.

Article 5 (Principles for setting the venue and time of a shareholders' meeting)

The venue where the shareholders' meeting is held shall be at the location of the company or a place that is convenient for the shareholders to attend and suitable for holding the shareholders' meeting. The starting time of the meeting shall not be earlier than 9 am or later than 3 pm. The venue and time of the meeting shall fully consider the opinions of independent directors.

When the company holds a shareholders' meeting through video conferencing, the meeting is not limited by the venue as mentioned in the preceding paragraph.

Article 6 (Preparation of signature book and other related documents)

The company shall specify in the meeting notice the time and place for the shareholders to check in, and other matters that should be paid attention to.

Shareholders, solicitors and entrusted agents as mentioned in the preceding paragraph (hereinafter referred to as shareholders) shall check in at least thirty (30) minutes before the start of the meeting; the check-in place shall be clearly marked, and sufficient qualified personnel shall be assigned to handle the check-in procedure. For shareholders' meetings through video conferencing, shareholders shall check in at the shareholder video conferencing platform thirty (30) minutes before the start of the meeting and the shareholder who has completed the check-in procedure is deemed to have attended the shareholders' meeting in person.

Shareholders shall present their attendance card, attendance sign-in card or other attendance documents to attend the shareholders' meeting; and solicitors who solicit a power of attorney shall bring their identity documents for verification.

The company shall set up a signature book provided for the attending shareholders to sign in, or the attending shareholders submit the attendance card instead of signing in.

The company shall deliver the handbook of the shareholders' meeting, annual report, attendance certificate, statement slips, votes and other meeting materials to the attending shareholders of the shareholders' meeting; if there are directors to be elected, the ballots shall be attached.

When the shareholder is the government or legal person, the representative who attends the shareholders' meeting is not limited to one person. When the legal person is entrusted to attend the shareholders' meeting, only one representative can be appointed to attend the meeting.

If the shareholders' meeting is held by video conferencing, and the shareholders who want to attend by video conferencing shall sign up with the company two (2) days before the shareholders' meeting.

If the shareholders' meeting is convened by video conferencing, the company shall upload the handbook of the shareholders' meeting, annual report and other relevant materials to the shareholder video conferencing platform at least thirty (30) minutes before the start of the meeting, and continue these disclosures until the end of the meeting.

Article 6-1 (Items that should be included in the convening notice when a shareholders' meeting through video conferencing is called)

When the company holds a shareholders' meeting through video conferencing, the following items shall be specified in the convening notice of the shareholders' meeting:

1. How shareholders participate in video conferencing and exercise their rights.
2. How to overcome the barrier of the shareholder video conferencing platform or the participation in video conferencing due to natural disasters, accidents or other force majeure events, at least including the following:
 - (1) Due to the continuous occurrence of the aforementioned barrier which cannot be eliminated, the meeting must be postponed or resumed. The rescheduled meeting date shall be specified when the meeting must be postponed or continued.
 - (2) Shareholders who have not signed up for the original shareholders' meeting through video conferencing shall not be allowed to participate in the postponed or resumed meeting.
 - (3) When a video-assisted shareholders' meeting is held, if the video conferencing cannot be continued, and the total number of shares attended reaches the statutory quota for the shareholders' meeting after deducting the number of shares that participated in the shareholders' meeting with video conferencing, then the shareholders' meeting shall continue. The number of shares held by the shareholders who participate in the video conferencing shall be included in the total number of shares held by the attending shareholders. All motions of the shareholders' meeting of that particular time shall be regarded as abstentions.
 - (4) How to deal with the situation where all motions have announced their results but the extraordinary motions have not been carried out.

When a shareholders' meeting through video conferencing is called, appropriate alternative measures for shareholders who have difficulty participating in the shareholders' meeting through video conferencing shall be specified.

Article 7 (Chairperson and attendees of the shareholders' meeting)

If the shareholders' meeting is convened by the board of directors, the chairman shall act as the chairperson. When the chairman is on leave or unable to exercise his powers for

some reason, he shall be represented by the vice chairman. The chairman shall designate a managing director to represent him if there is no vice chairman or the vice chairman is also on leave or unable to exercise his right. The chairman shall designate an agent to represent him if there is no managing director. If the chairman does not designate an agent, the managing directors or directors shall recommend a person among them to represent the chairman as the chairperson of the shareholders' meeting.

The chairperson as mentioned in the preceding paragraph shall be represented by the managing director or director, who has been in office for more than six months and understands the company's financial and business conditions. The same shall also apply, if the chairperson is a representative of the corporate director.

For the shareholders' meeting convened by the board of directors, the chairman should preside in person, and more than half of the directors of the board of directors and at least one representative of various functional committee members should attend, and the attendance status should be recorded in the shareholders' meeting minutes.

If the shareholders' meeting is convened by a convening authority other than the board of directors, the convening authority shall act as the chairperson of the shareholders' meeting.

When there are more than two persons with the right to convene, one of them shall be elected from each other to act as the chairperson of the shareholders' meeting.

The company may designate appointed lawyers, accountants or related personnel to attend the shareholders' meeting.

Article 8 (Evidence of recording or video-recording the shareholders' meeting)

The company shall record the shareholders' registration process, the meeting process, and the voting and counting process continuously and uninterruptedly from the time after the shareholders' registration is accepted.

The above-mentioned audio-video materials shall be kept for at least one year. However, if the shareholder files a lawsuit in accordance with Article 189 of the Company Act, these materials shall be kept until the lawsuit is concluded.

If the shareholders' meeting is held by video conferencing, the company shall keep records of the shareholders' enrollment, registration, check-in, questioning, voting and company vote counting results, etc., and shall record and video the video conferencing process continuously and uninterruptedly.

The company shall keep the above-mentioned materials and audio and video recordings during the duration of existence, and provide the audio and video recordings to the person entrusted to handle video conferencing affairs for storage.

When the shareholders' meeting is held by video conferencing, the company should record and video the background operation interface of the shareholder video conferencing platform.

Article 9 (Calculation of the number of shares attended in the shareholders' meeting and the conduction of the meeting)

The attendance of the shareholders' meeting shall be calculated based on the number of shares. The number of shares attended shall be calculated based on the number of shares registered in the signature book or the number of shares of the submitted attendance cards, and the number of shares of the shareholders who sign in the shareholder video

conferencing platform, plus the number of shares exercising voting rights in written or electronic means.

When it is the meeting time, the chairperson shall immediately announce the opening of the meeting, and at the same time announce the number of non-voting rights, the number of shares present and relevant information.

The chairperson may announce the postponement of the meeting. The number of postponements shall be limited to two times, and the total delay time shall not exceed one hour. If there are still not enough shareholders representing more than one-third of the total issued shares to attend the meeting after the second postponement, the chairperson will announce that the meeting fails to be convened for lack of quorum.

If the shareholders' meeting is held by video conferencing, the company shall also announce that the meeting fails to be convened for lack of quorum on the shareholder video conferencing platform.

If there are still not enough shareholders representing more than one-third of the total number of issued shares present after two delays as mentioned in the preceding paragraph, a tentative resolution may be made in accordance with the provision of Paragraph 1, Article 175 of the Company Act, and each shareholder shall be notified with the tentative resolution, and the shareholders' meeting shall be reconvened within one month. When the shareholders' meeting is held by video conferencing, shareholders who wish to attend the meeting by video conferencing shall re-register with the company in accordance with Article 6.

Before the end of the current meeting, if the number of shares represented by present shareholders reaches more than half of the total issued shares, the chairman may resubmit the completed tentative resolution to the shareholders' meeting for voting in accordance with Article 174 of the Company Act.

Article 10 (Discussion of motions)

If the shareholders' meeting is convened by the board of directors, the agenda will be set by the board of directors, and relevant motions (including extraordinary motions and amendments to the original proposal) shall be resolved by voting case by case, and the meeting shall be conducted according to the scheduled agenda and shall not be changed without the resolutions from the shareholders' meeting.

If the shareholders' meeting is convened by a person other than the board of directors who has the right to convene, the provisions of the preceding paragraph shall apply *mutatis mutandis*.

Before the end of the agenda (including extraordinary motions) scheduled in the previous two items, the chairperson shall not announce adjournment without a resolution. If the chairperson violates the rules of procedure and announces adjournment, other members of the board of directors shall promptly assist the attending shareholders to attend the shareholders' meeting according to legal procedure. With the consent of more than half of the voting rights of the attending shareholders, one person will be elected as the chairperson, and the meeting will continue.

The chairperson shall give full explanation and discussion opportunities to the motions and amendments or extraordinary motions proposed by shareholders, and may announce the cessation of discussions, put them up for voting, and arrange an appropriate time for voting

when the chairperson thinks that the discussions have reached the level that can be voted on.

Article 11 (Speak of shareholders)

Before an attending shareholder speaks, he must first fill in a speech note to specify the main topic of the speech, the shareholder's account number (or attendance card number) and account name, and the chairperson will determine the order of his speech.

An attending shareholder who only submits a speech note but does not make a speech is deemed not to have spoken. If the content of the speech is inconsistent with that of the speech note, the content of the speech shall prevail.

Without the consent of the chairperson, each shareholder of the same proposal shall not speak twice or more and each speaking time shall not exceed five minutes. However, if the shareholder's speech violates the regulations or exceeds the scope of the topic, the chairman may stop him from speaking.

Unless otherwise agreed by the chairperson and the shareholder who is making the speech, other shareholders are not allowed to interfere with the speech made by an attending shareholder, and the chairperson shall stop anyone who violates this rule.

When a legal person shareholder appoints two or more representatives to attend the shareholders' meeting, only one person can speak on the same proposal.

After the attending shareholder speaks, the chairperson may personally or appoint related personal to reply.

When the shareholders' meeting is held by video conferencing, the shareholders participating in the video conferencing may ask questions in text on the shareholder video conferencing platform after the chairperson announces the opening of the meeting and before announcing the adjournment of the meeting. The number of questions for each proposal shall not exceed two. Each time is limited to 200 words, and the provisions of Items 1 to 5 do not apply mutatis mutandis.

If the question as mentioned in the preceding paragraph does not violate the regulations or exceed the scope of the proposal, it is advisable to disclose the question on the shareholders video conferencing platform for public awareness.

Article 12 (Calculation of voting shares, and avoidance system)

The votes of the shareholders' meeting shall be calculated based on shares.

For resolutions of the shareholders' meeting, the number of shares of non-voting shareholders shall not be included in the total number of issued shares.

If a shareholders having his own interests in the matters of the meeting that may harm the interests of the company shall not participate in the voting, and shall not exercise their voting rights on behalf of other shareholders.

The number of shares in which voting cannot be exercised as mentioned in the preceding paragraph shall not be included in the number of voting rights of the attending shareholders. Except for trust enterprises or stock affairs agencies approved by the competent securities authority, when a person is entrusted by two or more shareholders at the same time, the number of voting rights of the agent shall not exceed 3% of the total number of issued shares. If the number of voting rights of the agent exceeds 3% of the total number of issued shares, such voting rights shall not be counted.

Article 13 (Motion voting, scrutiny and counting methods)

Each shareholder has one voting right per share; however, those who are restricted or have no voting rights as listed in Paragraph 2 of Article 179 of the Company Act are not subject to this restriction.

When convening a shareholders' meeting, the company shall adopt electronic means and may exercise its voting rights in writing; when the voting rights are exercised in writing or by electronic means, the exercise method shall be specified in the convening notice of the shareholders' meeting. Shareholders who exercise their voting rights in writing or by electronic means are deemed to be attending the shareholders' meeting in person. However, the extraordinary motions and amendments to the original motions of the shareholders' meeting are regarded as abstentions, so that the company should avoid proposing extraordinary motions and amendments to the original motions.

For those who exercise their voting rights in writing or by electronic means as mentioned in the preceding paragraph, the declaration of intent shall be delivered to the company two (2) days before the shareholders' meeting. In case of duplicate declarations of intent, the one served first shall prevail. However, this shall not apply to the declaration of intent before the declaration is revoked.

After shareholders exercise their voting rights in writing or by electronic means, if they wish to attend the shareholders' meeting in person, they shall revoke the declaration of intention to exercise voting rights as mentioned in the preceding paragraph in the same way as exercising the voting rights two (2) days before the shareholders' meeting. The voting rights exercised by means of voting shall prevail. If the voting rights are exercised in writing or by electronic means and a power of attorney is authorized to attend the shareholders' meeting, the voting rights exercised by the authorized agent shall prevail.

Unless otherwise stipulated in the Company Act and the company's Articles of Association, the voting on the proposals shall be passed with the consent of more than half of the voting rights of the attending shareholders. When voting, the chairperson or his designated person shall announce the total number of voting rights of the attending shareholders on a case-by-case basis, and the shareholders shall vote on a case-by-case basis. On the day immediately after the shareholders' meeting is held, the results of shareholders' approval, opposition or abstention shall be entered into the Public Information Observatory.

When there are amendments or alternatives to the same proposal, the chairperson shall determine the order of voting with the original proposal. If one of the proposals has been passed, the other proposals shall be deemed to be vetoed, and there is no need to vote again. The scrutiny and counting personnel for voting on proposals shall be designated by the chairperson, but the scrutiny personnel must be a shareholder.

The voting of the shareholders' meeting and the vote counting operation shall be done in a public place at the venue of the shareholders' meeting, and after the vote counting operation is completed, the voting results including the weight of the count shall be announced on the spot and recorded.

If the company convenes a shareholders' meeting through video conferencing, after the chairperson announces the opening of the meeting, the shareholders participating in the video conferencing shall vote on various motions and election proposals through the shareholder video conferencing platform, and before the chairperson announces that the voting ends, those who overdue are deemed to be abstentions.

Shareholders' meetings held by video conferencing shall count the votes once after the chairperson announces the end of voting, and shall announce the voting and election results. When the company convenes a video-assisted shareholders' meeting, the shareholders who have registered in the shareholders' meeting conducted through video conferencing in accordance with the provisions of Article 6 and wish to attend the physical shareholders' meeting in person shall cancel the registration in the same way two (2) days before the shareholders' meeting. If the cancellation is overdue, the shareholder can only participate in the shareholders' meeting through video conferencing.

Those who exercise their voting rights in writing or by electronic means without revoking their declaration of intention and participate in the shareholders' meeting through video conferencing, except for extraordinary motions, shall not exercise their voting rights on the original proposal, propose amendments to the original proposal, or exercise their voting rights on amendments to the original proposal.

Article 14 (Election matters)

When directors are elected in the shareholders' meeting, the election shall follow the relevant election rules stipulated by the company, and the election results including the list of elected directors and their voting rights, and the list of unsuccessful directors and their voting rights shall be announced on the spot.

The ballot papers for the elections as mentioned in the preceding paragraph shall be sealed and signed by the poll inspectors, and shall be kept in a safe place for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Act, the ballot papers shall be kept until the lawsuit is concluded.

Article 15 (Meeting minutes and signatures)

The resolutions of the shareholders' meeting shall be recorded in minutes, signed or stamped by the chairman, and distributed to all shareholders within twenty (20) days after the meeting. The minutes may be prepared and distributed in electronic form.

The above-mentioned resolutions may be distributed by entering them into the Public Information Observatory.

The minutes shall accurately record the year, month, day, venue, name of the chairperson, resolution method, outline of the proceedings and voting results (including statistical weights) of the meeting. When there is an election of directors, the votes of each candidate shall be disclosed. During the existence of the company, the minutes shall be kept permanently.

If the shareholders' meeting is convened by video conferencing, in addition to the items that should be recorded in accordance with the provisions of the preceding paragraph, the minutes shall also record the starting and ending time of the shareholders' meeting, the method of holding the meeting, the name of the chairperson and the situation and handling method of any natural disasters, accidents or other force majeure events that cause barriers of the shareholders video conferencing platform or the participation in video conferencing when they occur and how to deal with them.

When the company convenes the shareholders' meeting through video conferencing, in addition to following the provisions of the preceding paragraph, the company shall also state in the minutes of the meeting that there are alternative measures provided by

shareholders who have difficulty participating in the shareholders' meeting through video conferencing.

Article 16 (External announcement)

The number of shares solicited by the solicitor, the number of shares represented by the authorized agent, and the number of shares attended by shareholders in writing or by electronic means, the company shall prepare a statistical table in accordance with the prescribed format on the date of the shareholders' meeting, and clearly disclose them in the shareholders' meeting; if the shareholders' meeting is convened by video conferencing, the company shall upload the above-mentioned information to the shareholder video conferencing platform at least thirty (30) minutes before the start of the meeting, and continue to disclose them until the end of the meeting.

When the company holds the shareholders' meeting through video conferencing and announce the opening of the meeting, the total number of shares of the attending shareholders shall be disclosed on the shareholder video conferencing platform. The same is true, when the total number of shares and the total number of voting rights of the attending shareholders are counted during the meeting.

In the resolution of the shareholders' meeting, if there is any important information stipulated by laws and regulations of Taiwan Stock Exchange (TWSE) or Taipei Exchange (TPEX), the company shall post the content on the Public Information Observatory within the specified time.

Article 17 (Maintenance of order in the meeting venue)

The meeting staff of the shareholders' meeting shall wear identification cards or armbands. The chairperson may direct the picket or security personnel to assist in maintaining order at the venue. When the picket or security personnel are present to assist in maintaining order, they shall wear an armband or identification card with the words "Picket".

If the meeting place is equipped with amplifying equipment, the chairperson may stop the shareholder from speaking with the equipment which is not equipped by the company.

The chairperson may command the pickets or security personnel to ask any shareholder who violates the rules of procedure and does not obey the chairperson to correct them, or obstruct the progress of the meeting and disobey advices to leave the meeting place.

Article 18 (Breaks and resumed meeting)

When the meeting is in progress, the chairperson may announce a break at a discretionary time. In force majeure events, the chairperson may decide to suspend the meeting temporarily and announce the time for the continuation of the meeting depending on the situation.

If the venue of the shareholders' meeting cannot be used anymore before the end of the agenda scheduled for the shareholders' meeting (including extraordinary motions), another venue may be found to continue the meeting with the resolution of the shareholders' meeting.

The shareholders' meeting may resolve to postpone or continue the meeting within five (5) days in accordance with Article 182 of the Company Act.

Article 19 (Disclosure of video conferencing information)

For the shareholders' meeting held by video conferencing, the company shall disclose the voting and election results immediately on the shareholder video conferencing platform

and continue to disclose the voting and election results for at least fifteen minutes after the meeting is adjourned.

Article 20 (Location of chairperson and recording personnel of the shareholders' meeting held by video conferencing)

When the company convenes the shareholders' meeting through video conferencing, the chairperson and recording personnel shall be at the same location in the country, and the chairperson shall announce the address of the meeting location during the meeting.

Article 21 (Handling of disconnection)

If the shareholders' meeting is held by video conferencing, the company may provide shareholders with a simple online connection test before the meeting, and provide related services immediately before the meeting and during the meeting to assist dealing with technical problems in communications.

If the shareholders' meeting is held by video conferencing, the chairman shall, when announcing the opening of the meeting, separately announce that there is no need to postpone or continue the meeting except for the matters stipulated in Paragraph 24, Article 44 of the Regulations Governing the Administration of Shareholder Services of Public Companies. Before announcing the adjournment of the meeting, if a barrier to the shareholder video conferencing platform or participation in video conferencing occurs due to natural disasters, accidents or other force majeure events and lasts for more than thirty (30) minutes, the meeting shall be postponed or resumed within five (5) days, and the provisions of Article 182 of the Company Act does not apply.

For meetings that should be postponed or continued as mentioned in the preceding paragraph, Shareholders who have not registered to participate in the original shareholders' meeting through video-conferencing are not allowed participating in the postponed or continued meeting.

Shareholders who registered and completed check-in for the original meeting through video conferencing in accordance with the stipulation of Paragraph 2 and did not participate in the postponed or adjourned meeting shall be counted towards the total number of shares, voting rights, and election rights of the attending shareholders in the postponed or adjourned meeting.

When the shareholders' meeting is postponed or continued in accordance with the stipulation of Paragraph 2, there is no need to discuss and make a decision again on the proposals that have already been voted on, counted, and announced with their results or the elected list of directors and supervisors.

When the company convenes the video-assisted shareholders' meeting and cannot continue the meeting due to the event as mentioned in Paragraph 2, and the total number of shares present still meets the legal quota for holding the meeting after deducting the attendance of shareholders who attend by video conference, the shareholders' meeting shall continue without postponing or resuming the meeting in accordance with the provisions of Paragraph 2.

In the event that the meeting shall continue as mentioned in the preceding paragraph, the number of shares held by the shareholders participating in the shareholders' meeting through video conferencing shall be counted towards the total number of shares.

However, all agenda items for that particular shareholders' meeting shall be deemed as abstentions."

The company shall follow the procedures as stipulated in Paragraph 7 of Article 44-2 of the Regulations Governing the Administration of Shareholder Services of Public Companies when postponing or continuing the shareholders' meeting, and complete the necessary pre-operations according to the original meeting date and said provision.

During the periods specified in Paragraph 2 of Article 12, and Paragraph 3 of Article 13, of the Regulations Governing Proxy Voting at Shareholders' Meetings of Publicly-Traded Companies, Paragraph 2 of Article 44-5, Article 44-15, and Paragraph 1 of Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies", the company shall postpone or continue the shareholders' meeting on the date in accordance with the regulation of Paragraph 2."

Article 22 (Handling of digital divide)

If the shareholders' meeting is held by video conferencing, the company shall provide appropriate alternative measures to shareholders who have difficulty attending the shareholders' meeting through video conferencing.

Article 23 These rules are implemented after the approval of the shareholders' meeting, and the same applies to amendments.

These rules were formulated on June 17, 2013.

The first amendment was made on June 18, 2019.

The second amendment was made on June 9, 2010.

The third amendment was made on August 4, 2021.

The fourth amendment was made on June 23, 2022.

NORTH-STAR INTERNATIONAL CO., LTD.

Regulations for Handling Acquisition or Disposal of Assets

Passed by the Shareholders' meeting on June 23, 2022

Article 1. Purpose

To institutionalize the acquisition and disposal of the Company's assets, the Company ensures that the acquisition and disposal of the Company's assets are appropriately evaluated and approved, that information is disclosed, and that they comply with relevant laws and regulations.

Article 2. Basis of Laws and Regulations

1. Article 36-1 of Securities and Exchange Act (hereinafter referred to as the "Act").
2. "Regulations Governing the Acquisition and Disposal of Assets by Public Companies (hereinafter referred to as the "Securities Act" issued by the Financial Supervisory Commission (hereinafter referred to as the "FSC").

Article 3. The term "assets" as used in these Regulations includes the following:

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

Article 4. Definitions of Terms:

1. Derivatives:

Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-

sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.

2. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law:

It refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter “transfer of shares”) under Article 156-3 of the Company Act.

3. Related party or subsidiary:

It is as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

4. Professional appraiser:

It refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.

5. Date of occurrence:

It refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.

6. Mainland China area investment:

It refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.

7. Investment professional:

It refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures commission merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located.

8. Securities exchange:

“Domestic securities exchange” refers to the Taiwan Stock Exchange Corporation; “foreign securities exchange” refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.

9. Over-the-counter venue (“OTC venue”, “OTC”):

“Domestic OTC venue” refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; “Foreign OTC venue” refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.

10. The 10% of total assets requirement under the Company's "Regulations Governing the Acquisition or Disposal of Assets" is calculated based on the amount of total assets in the most recent individual or separate financial statements required by the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The "most recent financial statements" are those that have been audited, certified, or reviewed by a certified public accountant prior to the acquisition or disposition of assets, as required by law.
11. If the Company's stock has no par value or the par value of each share is not NT\$10, the transaction amount of 20% of the paid-in capital under the Company's "Regulations Governing the Acquisition or Disposal of Assets" shall be calculated based on 10% of the equity attributable to the owners of the parent company.

Article 5. The limit on the amount of investments made by the Company or its subsidiaries in real property or the rights of using assets and securities for non-operating purposes shall be handled in accordance with the following provisions:

1. The Company's limit on investment:
 - (1) The real property investment in real property for non-operating purpose shall be limited to no more than 30% of the Company's net worth.
 - (2) The total amount invested in marketable securities shall not exceed 70% of the Company's net worth, and the total amount invested in individual marketable securities shall not exceed 40% of the Company's net worth.
2. The subsidiaries' investment limit:
 - (1) Investments in real property not for use in business are limited to 30% of the parent company's net worth.
 - (2) The total amount of investment in marketable securities is limited to 10% of the parent company's net worth, and the total amount of investment in individual securities is limited to 5% of the parent company's net worth.

The calculation of the above total investment in securities is based on the original cost of investment.

Article 6. Appraisal Report or Opinion:

Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:

- (1) May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.
- (2) May not be a related party or de facto related party of any party to the transaction.
- (3) If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be

related parties or de facto related parties of each other.

When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of the industry associations to which they belong and with the following provisions:

- (1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
- (2) When conducting a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.
- (3) They shall undertake an item-by-item evaluation of the appropriateness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.
- (4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is appropriate and reasonable, and that they have complied with applicable laws and regulations.

If the Company acquires or disposes of the assets under Articles 7, 8, 9 and 10 through court auction procedures, the appraisal report or the accountant's opinion may be replaced by a certificate issued by the court.

Article 7. Procedures for Handling Acquisition or Disposal of Real Property, Equipment or their Right-of-Use Assets

1. Evaluation procedure:

The appraisal of the Company's acquisition or disposal of real property, equipment, or right-to-use assets thereof shall be conducted by the Asset Management Department in accordance with the feasibility study report, signed by the Management Department, and approved in accordance with the regulations of the Company's approval authority before the acquisition or disposal.

2. Operating procedure:

- (1) The Company acquires or disposes of real property, equipment or right-to-use assets, except for transactions with domestic government agencies, self-commissioned construction, leased land commissioned construction, or the acquisition or disposal of equipment or right to use assets for business use, where the transaction amount reaches twenty percent of the paid-in capital or NT\$300 million, shall obtain an appraisal report issued by a professional appraiser prior to the date of occurrence of the event and comply with the following regulations.

1. In the event that the transaction price should be based on a limited price, a specific price or a special price for special reasons, the transaction shall be submitted to the Board of Directors for approval, and the same shall apply to any subsequent change in the terms of the transaction.

2. If the transaction amount is NT\$1 billion or more, two or more professional appraisers shall be hired to appraise the transaction.

3. In the event that any of the following circumstances applies to the valuation results of a professional appraiser, except that the valuation results of the acquisition of

an asset are higher than the transaction amount or the valuation results of the disposal of an asset are lower than the transaction amount, the professional appraiser shall be asked to express a specific opinion on the reasons for the discrepancy and the appropriateness of the transaction price:

- (1) The difference between the appraisal result and the transaction amount is 20% or more of the transaction amount.
 - (2) The difference between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.
4. The date of the professional appraiser's report shall not be more than three months from the date of establishing the agreement. However, an opinion from the original professional appraiser may be issued if it applies to the current value of the same announcement and is less than six months old.
5. In addition to the general practice of the construction industry to adopt the limited price, specific price or special price as the reference basis for the transaction price, if there is a justifiable reason of failing to obtain the appraisal report immediately, the appraisal report and the accountant's opinion of the third paragraph of the preceding paragraph shall be obtained within two weeks from the date of the occurrence.
- (2) Upon acquisition of the assets, the Company shall immediately implement various security measures, and register, manage and utilize the assets in accordance with the Company's "Regulations Governing the Management of Fixed Assets".
3. Procedures for determining the transaction terms and authorized amount
 - (1) The method of determining the price and the reference basis for acquiring or disposing of real property, equipment, or right-to-use assets shall be determined by the requesting unit after consultation, negotiation, or bidding, with the reasons explained in the report, and with reference to the current value of the public announcement and the actual transaction price of the real property in the neighboring area.
 - (2) Authorization level
 1. Acquisitions or disposals of real property, equipment or their right-to-use assets with a transaction amount less than NT\$2 million (inclusive) shall be submitted to the general manager for approval in accordance with the company's "Approval Procedure";
for the transaction amount more than NT\$2 million and less than NT\$30 million, it shall be submitted to the Chairman in accordance with the Company's "Approval Procedure" for approval before it can be processed;
for the transaction amount of NT\$30 million or more, it shall be approved by the Board of Directors before it can be proceeded. When submitting the matter to the Board of Directors for discussion, the opinions of each independent director shall be fully considered. If the independent directors have objections or reservations, they shall be stated in the minutes of the board meeting.
 2. A sales and purchase agreement entered into with a counterparty of the transaction may be executed with the approval of the Chairman and ratified by a proposal raised in the next board meeting after the transaction occurs, in order to

meet business needs and improve timeliness.

3. Acquisitions or disposals of assets such as those required by the Company Act or other laws and regulations shall be resolved or recognized by the shareholders' meeting or reported to the shareholders' meeting.

Article 8. Procedures for Handling Acquisition or Disposal of Securities

1. Evaluation procedure:

- (1) The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price.
- (2) If the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (hereinafter referred to as "FSC").

2. Operating procedure:

- (1) Evaluation, trading, delivery, tabulation (listing): by the organizers.
- (2) Depository: Marketable securities acquired by the Company are either centrally held by the Finance Department or stored in a safe deposit box (cabinet).
- (3) Evaluation: The Finance Department collects relevant information and conducts subsequent regular evaluations in accordance with the provisions of relevant accounting bulletins.

3. Procedure for determining transaction conditions and authorized amount:

Acquisition and disposal of stocks, bonds, corporate bonds, financial bonds, marketable securities of mutual funds, depository receipts, subscription (sale) warrants, beneficiary securities, and asset-based securities as described in Paragraph 1 of Article 3 of these Regulations shall be handled only after the Chairman of the Board of Directors has approved such acquisition and disposal in accordance with the "Approval Procedures" of the Company.

Article 9. Procedures for Handling Acquisition or Disposal of Intangible Assets or Right-of-Use thereof or Memberships

1. Evaluation procedure:

The evaluation of the acquisition or disposal of intangible assets or their right-of use or memberships shall be done by the demand unit and reported to the responsible unit.

2. Operating procedure:

If the transaction amount reaches 20 percent of paid-in capital or NT\$300 million, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.

3. Procedure of determining the transaction conditions and authorized amount:

- (1) Price Determination and Reference Basis: The demand unit shall report the market transaction price of similar intangible asset or its right-to-use asset or membership; if there is no market transaction price, it shall refer to the report issued by the professional appraisal organization.
- (2) Authorization Level
 1. For transactions valued at less than NT\$30 million (inclusive), the case shall be submitted to the Chairman for a decision; for transactions valued at more than NT\$30 million, prior approval of the Board of Directors shall be obtained before the transaction is processed. However, in order to meet business needs and maximize the timeliness, the case may be decided by the Chairman first and then submitted to the following board meeting for retroactive recognition.
 2. Acquisition or disposal of intangible assets or assets with the right of use thereof or membership certificates that are required to be resolved or recognized at a shareholders' meeting or reported to a shareholders' meeting shall be complied the Company Act or other laws and regulations.

Article 10. Calculation of Transaction Amounts

The calculation of the transaction amounts referred to in Articles 7, 8 and 9 shall be done in accordance with Subparagraph 5 of Paragraph 2 of Article 13, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.

Article 11. Procedures for Handling Transaction with Related Parties

1. Evaluation procedure and operating procedure:

- (1) The Company's evaluation and operating procedure for the acquisition or disposal of assets with related parties shall be conducted in accordance with Articles 7, 8 or 9 depending on the nature of the assets. In addition, if the transaction amount reaches ten percent of the total assets of the Company, the Company shall obtain an appraisal report from a professional appraiser or a certified public accountant's opinion in accordance with the provisions of Articles 7, 8 or 9.
- (2) In the event that the Company acquires or disposes of real property or right-to-use assets thereof from or to a related party, or acquires or disposes of assets other than real property or right-to-use assets thereof with a related party, and the amount of the transaction reaches 20% of the Company's paid-in capital, 10% of the total assets, or NT\$300 million, the Company shall evaluate and prepare a report of all information approved by the Board of Directors, in addition to the information required for the acquisition or disposal of bonds, bonds under repurchase or resale agreements, and the acquisition or repurchase of domestic securities. In addition to the purchase and sale of bonds, bonds with repurchase or resale conditions, and the purchase or resale of money market funds issued by domestic securities investment trusts, the Company shall evaluate and prepare the information required

to be submitted to the Board of Directors for approval in accordance with paragraph 2(1) of this Article.

- (3) The calculation of the transaction amount in the preceding two paragraphs shall be handled in accordance with the provisions of Paragraph 2(8) of Article 13, and the reference to “within one year” shall be based on the date of occurrence of the transaction facts and shall be projected one year in advance. The portion of the transaction amount that has already been approved by a professional appraiser or an accountant’s opinion, or has already been submitted to the Board of Directors for approval, shall be exempted from the calculation of the transaction amount in accordance with the provisions of these Regulations.
 - (4) In determining whether a counterparty is a related party, in addition to the legal form of the counterparty, the actual relationship shall also be considered.
2. Procedure for determining the authorized amount:
- (1) If the Company acquires or disposes of real property or right-to-use assets thereof from or to a related party, or acquires or disposes of assets other than real property or right-to-use assets thereof from or to a related party, and the transaction amount reaches twenty percent of the paid-in capital, ten percent of the total assets, or NT\$300,000,000, the following information shall be submitted to the Board of Directors for approval before signing the transaction contract and making payment:
 1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.
 2. The reason for choosing the related party as a transaction counterparty.
 3. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with of Subparagraphs 1, 2, 3, 4 and 6 of Paragraph 3 of this Article.
 4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty’s relationship to the company and the related party.
 5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.
 6. An appraisal report from a professional appraiser or a CPA’s opinion obtained in compliance with the Paragraph 1 of this Article.
 7. Restrictive covenants and other important stipulations associated with the transaction.
 - (2) If any of the following transactions between the Company and its subsidiaries, or any of its subsidiaries directly or indirectly holding 100% of the Company’s issued shares or capital stock, but not exceeding 10% of the Company’s paid-in capital, the Chairman of may approve the transactions, and then submit such transactions at the next board meeting for retroactive recognition.
 1. Acquisition or disposal of equipment or right-for-use assets thereof for business purpose.
 2. Acquisition or disposal of real property or right-for-use assets thereof for business

purpose.

- (3) Where an independent director has been established in accordance with the provisions of this Act, the opinion of each independent director shall be taken into full consideration when submitting a report to the Board of Directors for discussion in accordance with the provisions of Paragraph 1, and any dissenting opinion or reservation of an independent director shall be recorded in the minutes of the board meeting.
 - (4) In accordance with the provisions of this Act, the Audit Committee shall be established with the consent of more than one-half of all members of the Audit Committee and shall be submitted to the Board of Directors for resolution. If the consent of more than one-half of all members of the Audit Committee has not been obtained, the resolution of the Audit Committee may be approved by more than two-thirds of all the directors and recorded in the minutes of the board meeting. All members of the Audit Committee and all directors as referred to in the preceding paragraph shall be counted as if they were actually in office.
 - (5) In the event that the Company or its subsidiaries that are not domestic public offering companies engage in a transaction under Paragraph 1(2) of this Article and the transaction amount reaches ten percent of the total assets of the public offering company, the public offering company shall submit the information listed in Paragraph 1(2) of this Article to the shareholders' meeting for approval before signing transaction contract and making payment. However, this shall not apply to transactions between the Company and its parent company, subsidiaries, or subsidiaries thereof.
 - (6) The calculation of the transaction amount in Paragraph 1(2) of this Article and the previous transaction amount shall be handled in accordance with the provisions of Paragraph 2(8) of Article 13, and the so-called "within one year" shall be based on the date of occurrence of the transaction, one year backward, and the portion of the transaction amount that has already been submitted to the shareholders' meeting and the board meeting for approval shall be exempted from further calculation in accordance with the provisions of these Regulations.
3. Evaluation of Reasonableness of transaction cost
- (1) The reasonableness of the cost of acquiring real property or right-to-use assets thereof from related parties shall be evaluated by the following methods: (a) The Company's acquisition of real property or right-to-use assets thereof from related parties should be evaluated by the following methods:
 1. The cost of necessary capital is calculated based on the transaction price of the related party plus the buyer's share of the cost. The cost of necessary capital interest is calculated based on the weighted-average interest rate of the Company's borrowings in the year the assets are acquired, provided that such interest rate shall not exceed the maximum non-financial borrowing rate as announced by the Ministry of Finance.
 2. If a related party has borrowed from a financial institution with a mortgage on the subject property, the financial institution shall assess the total loan value of the subject property, provided that the cumulative value of the financial institution's

actual loan to the subject property shall be at least 70% of the total loan value and the loan period has been more than one year. However, this shall not apply if the financial institution and the party to the transaction are related parties.

- (2) If land and buildings of the same subject are purchased or leased together, the transaction costs for the land and buildings may be assessed separately according to any of the parties listed in the previous paragraph.
- (3) If the Company acquires real property or right-to-use assets thereof from a related party, the Company shall evaluate the cost of the real property or right-to-use assets thereof in accordance with the provisions of Subparagraphs (1) and (2) Paragraph 3 of this Article, and shall consult a certified public accountant to review the cost of the real property or right-to-use assets thereof and to express a specific opinion thereon.
- (4) If the appraisal results of the real property or right-to-use assets thereof acquired by the Company from a related party are lower than the transaction price, the Company shall handle the acquisition in accordance with the provisions of Paragraph (5) of Article 3 of this Article. However, this shall not apply to cases where objective evidence and specific reasonable opinions from a real estate appraiser and a certified public accountant are presented due to the following circumstances
 1. If a related party acquires raw land or leases land for construction, the related party must show that one of the following conditions is met:
 - (1) When the raw land is assessed in accordance with the method stipulated in the preceding Article and the house is assessed on the basis of the construction cost of the related party plus a reasonable construction profit, the total amount of which exceeds the actual transaction price. Reasonable construction profit shall be the lower of the average gross profit margin of the related party's construction department for the last three years or the latest gross profit margin of the construction industry published by the Ministry of Finance.
 - (2) Other cases of acquiring other floors of the same subject premises or in the neighboring area by non-related parties within one year, where the areas are similar in size and the transaction terms are comparable after evaluating the price difference between reasonable floors or areas in accordance with real estate trading practices.
 - (3) Other cases of leasing other floors of the same subject premises by non-related party within one year, where the transaction terms are comparable based on a reasonable floor-to-floor price difference in accordance with customary real estate leasing practices.
 2. The Company certifies that the real property purchased from a related party or the right-to-use assets thereof obtained by leasing is equivalent to other non-related party transactions in the neighboring area within one year and the area is similar in size. The above mentioned transaction cases in the neighboring area shall be the same or adjacent street and within a radius of less than 500 meters from the subject property or its announced present value is similar; for the similar area, the principle is that the area of other transactions with non-related parties is not less than 50% of the area of the subject property; and the above-mentioned "one-year period is the

one-year period from the date of the acquisition of the real property.

- (5) If the results of an appraisal conducted in accordance with the provisions of Paragraph 3(1)(2) of this Article are lower than the transaction price, the Company shall do the following. If the Company and a public company whose investment in the Company is accounted for under the equity method of accounting make a special reserve under the above provision, the special reserve shall be used only after the loss on decline in value of the assets acquired at a high price has been recognized or disposed of, or the assets have been appropriately compensated for, or the assets have been restored to their original condition, or there is other evidence to confirm that there is no unreasonableness in the special reserve and FSC has agreed to the use of the special reserve.
 1. The Company shall set aside a special reserve in accordance with Paragraph 1 of Article 41 of the Securities and Exchange Act for the difference between the transaction price and the appraised cost of real property or right-to-use assets thereof, which shall not be distributed or transferred to capital increase or share dividend. If an investor of the Company uses the equity-method to evaluate the Company's investment is a public company, a special reserve shall be set aside in proportion to the investor's percentage of ownership of the Company's shares in accordance with Paragraph 1 of Article 41 of the Securities and Exchange Act.
 2. Independent directors shall act in accordance with Article 218 of the Company's Act.
 3. The handling situations in accordance with Points 1 and 2 of Subparagraph 5 of Paragraph 3 of this Article shall be reported to the shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and public disclosure statement.
- (6) In the event that the Company acquires real property or right-to-use assets thereof from a related party under one of the following circumstances, the Company shall handle the acquisition in accordance with the provisions of Paragraph 2 of this Article regarding the evaluation and operating procedures, and shall not be subject to the provisions of Paragraph 3(1), 3(2), and 3(3) of this Article regarding the reasonableness of the transaction cost:
 1. The related party acquires the real property or right-to-use assets thereof by inheritance or gift.
 2. The related party has contracted to acquire real estate or right-to-use assets thereof for more than five years from the date of the transaction.
 3. The related party acquires the real property by signing a joint construction contract, or by commissioning to construct real estate, such as commissioning construction on one's own land, or commissioning construction on rented land.
 4. Acquisition of right-to-use assists if a real property for operating purposes between the Company and its subsidiaries, or between subsidiaries in which the Company directly or indirectly owns 100% of the outstanding shares or total capital stock.
- (7) If the Company acquires real property from a related party and there is other evidence showing that the transaction is not in the ordinary course of business, the Company shall handle such case in accordance with the provisions of Paragraph 3(5)

of this Article.

Article 12. Procedures for Handling Merger, Demerger, Acquisition or Share Transfer

1. Evaluation and Operating Procedure

- (1) When the company handles merger, demerger, acquisition or share transfer, it is advisable to invite lawyers, accountants and underwriters to jointly discuss the estimated timetable for legal procedures, and organize a task force to implement the case in accordance with legal procedures. Before convening the board meeting for resolution, the Company shall appoint accountants, lawyers or securities underwriters to express their opinions on the share exchange ratio, purchase price or the reasonableness of allocating cash or other property to shareholders, and submit the opinions to the Board of Directors for discussion and approval. However, the merger of subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital do not require a reasonableness certificate issued by the above-mentioned experts.
- (2) The company shall prepare a public document to shareholders regarding the important agreements on merger, demerger or acquisition and related matters before the shareholders' meeting, together with the expert opinions in Subparagraph 1 of Paragraph 1 of this Article and the meeting notice of the shareholders' meeting and deliver it to the shareholders as a reference for whether to agree to the merger, demerger or acquisition. However, this does not apply if there is no need to convene an additional shareholders' meeting to resolve the merger, demerger or acquisition according to the provisions other laws.
- (3) For companies participating in a merger, demerger or acquisition, if the shareholders' meeting of either party cannot be held due to insufficient attendance, insufficient voting rights or other legal restrictions, and the resolution or motion is vetoed by the shareholders' meeting, the companies participating in the merger, demerger or acquisition shall immediately provide a public explanation on the cause of the occurrence, follow-up actions and the expected date of convening the shareholders' meeting.

2. Other Items to Note

(1) Date of Board Meeting:

Unless otherwise stipulated by other laws or if there are special factors that have been reported to the FSC in advance, the companies participating in a merger, demerger or acquisition shall hold a board meeting and a shareholders' meeting on the same day to resolve matters related to the merger, demerger or acquisition. Unless otherwise stipulated by other laws or if there are special factors that have been approved by FSC in advance, the companies participating in share transfers shall hold a board meeting on the same day.

(2) Prior confidentiality commitment

Persons who participate in or are aware of the Company's merger, demerger, acquisition or share transfer plans shall sign a written confidentiality commitment and shall not disclose the contents of the plans to the outside before the information is made public, nor may they buy or sell stocks of all of the companies related to

merger, demerger, acquisition or share transfer cases and other securities of equity nature on their own or in the name of others.

(3) Principles for share exchange ratio or acquired price change:

When participating in a merger, demerger, acquisition or share transfer, in principle, the share exchange ratio or acquired price cannot be changed arbitrarily, except where the conditions for change have been stipulated in the contract and have been publicly disclosed. The conditions for share exchange ratio or acquired price change are as follows:

1. Handling of cash capital increase, issue convertible corporate bonds, free allotment of shares, issue corporate bonds with stock options, special shares with stock options, stock warrants and other marketable securities with equity nature.
2. Disposing of the Company's major assets and other actions that affect the company's financial business.
3. Occurrence of major disasters, major technological changes, etc. that affect the Company's shareholders' equity or securities prices.
4. Adjustments for any party participating in the merger, demerger, acquisition or share transfer to buy back treasury shares in accordance with the law.
5. There is an increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition or share transfer.
6. Other conditions that are subject to change have been stipulated in the contract and have been disclosed to the outside.

(4) Matters that should be included in the contract:

In addition to the provisions of Article 317-1 of the Company Act and Article 22 of the Business Merger and Acquisition Act, the contract for the merger, demerger, acquisition or share transfer of a company shall also specify the following:

1. Handling of breach of contract.
2. Principles for the treatment of marketable securities or repurchased treasury shares issued prior to the dissolution or division of a company as a result of a merger.
3. The number of treasury shares that may be bought back by the Participating Company after the Base Date for calculating the Conversion Ratio and the principles for handling such shares.
4. The handling of any change in the number of participating entities or companies.
5. Estimated plan execution progress and estimated completion schedule.
6. The scheduled date and other related procedures of a shareholders' meeting which shall be convened according to laws and regulations when the plan is overdue and not completed.

(5) When the number of companies participating in merger, demerger, acquisition or share transfer changes:

If any party participating in the merger, demerger, acquisition or share transfer plans to merge, demerger, acquisition or share transfer with other companies after the information is disclosed to the public, unless the number of participating companies is reduced, and the shareholders' meeting has resolved and authorized the Board of Directors to have the right to change, the participating companies are not required

to hold a shareholders' meeting to resolve the resolution again. In the original merger, demerger, acquisition or share transfer case, the completed procedures or legal actions shall be taken by all participating companies.

- (6) If the companies participating in the merger, demerger, acquisition or share transfer are not public companies, the Company shall sign an agreement with them and handle the transaction in accordance with relevant regulations.
- (7) Companies participating in the listing of mergers, demergers, acquisitions or share transfers or whose stocks are traded in securities firms shall prepare complete written records of the following information and keep them for five years for review.
 1. Personnel's information: including all persons participating in the merge, demerger, acquisition or share transfer plan or plan executors, their job titles, names, and ID card numbers (passport numbers in the case of foreigners) before the news is made public.
 2. Dates of important events: including the signing of a letter of intent or memorandum of intent, the appointment of financial or legal advisors, the signing of contracts by the Board of Directors, etc.
 3. Important documents and minutes: including merger, demerger, acquisition or share transfer plans, letters of intent or memorandums, important contracts and board meeting minutes, etc.
- (8) The company participating in the listing of a merger, demerger, acquisition or share transfer or the company's stocks being traded at a securities firm shall, within two days from the date of passing the resolution of the board meeting, submit the information stated in preceding Paragraphs 1 and 2 in the prescribed format, and use the Internet information system to report to FSC in the prescribed format for future reference.

Article 13. Information Disclosure Procedure

1. Time limit for announcement and declaration
The Company shall, within two days from the date of occurrence, report the relevant information to the designated website of FSC when the Company acquires or disposes of assets that have items subject to announcement and declaration as set forth in Paragraph 2 of this Article and the transaction amount reaches the standard of announcement and declaration.
2. Items subject to announcement and declaration, and announcement and declaration standards:
 - (1) Acquisitions or disposals of real property or its right-to-use assets from or to a related party, or acquisitions or disposals of real property or its right-to-use assets other than with a related party and the transaction amount reaches twenty percent of the paid-in capital, ten percent of the total assets or NT\$300 million. Except for the purchase and sale of domestic bonds, bonds under repurchase or resale agreements, and the purchase or resale of money market funds issued by domestic securities investment trusts.
 - (2) Merger, demerger, acquisition or share transfer.
 - (3) Losses from derivatives trading reaching the limits on aggregate losses or losses on

individual contracts set out in the procedures adopted by the company.

- (4) Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million.
- (5) Acquisitions or disposals by the Company in the construction business of real property or right-to-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million.
- (6) The Company acquires real property, where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT\$500 million.
- (7) Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent of paid-in capital or NT\$300 million; and this shall not apply to the following circumstances:
 - 1. Trading of domestic government bonds or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.
 - 2. Where done by professional investors - securities trading on securities exchanges or OTC markets, or subscription of foreign government bonds, or of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or redemption of exchange traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.
 - 3. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
- (8) The calculation of the transaction amount in the aforementioned Paragraphs 4 to 7 is as follows, and the so-called "within one year" is based on the date of the occurrence of the transaction, one year backward, and the portion that has already been announced in accordance with the Regulations is exempted from being counted again.
 - 1. The amount of any individual transaction.
 - 2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.
 - 3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.

4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.
3. Announcement and declaration procedure
 - (1) The Company shall announce and declare the relevant information on the website designated by FSC.
 - (2) The Company shall input the information of the Company and its subsidiaries that are not domestic public companies and have engaged in derivative transactions as of the end of the previous month in the prescribed format into the information reporting website designated by the FSC before the 10th day of each month.
 - (3) If there are any errors or omissions in the announcement of the items to be announced by the Company in accordance with the regulations, the Company shall re-announce and report all the items within two days from the date of knowledge.
 - (4) For an acquisition or disposal of assets, the Company shall keep the relevant deeds, minutes, registers, valuation reports, certified public accountants', attorneys' or securities underwriters' opinions with the Company for at least five years, unless otherwise required by law.
 - (5) Within two days from the date of occurrence of any of the following circumstances after the announcement of the transaction reported in accordance with the preceding Article, the Company shall make an announcement and report the relevant information on the designated website of FSC.
 1. A change, termination, or cancellation of the original contract.
 2. A merger, demerger, acquisition or share transfer not completed in accordance with the schedule set forth in the contract.
 3. A change in the original announced and declared contents.

Article 14. The company's subsidiaries shall handle acquisition and disposal of assets in accordance with the following regulations:

1. When a subsidiary acquires or disposes of assets, it shall do so in accordance with the Company's "Regulation for Handling Acquisition or Disposal of Assets" or in accordance with the relevant provisions of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" and implement the Company's "Regulation for Handling Acquisition or Disposal of Assets".
2. If a subsidiary is not a public company and its acquisition or disposal of assets meets the announcement and reporting standards set forth in Article 12 of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", the Company shall handle the announcement and reporting matters on behalf of the subsidiary.
3. In the announcement reporting standard of the subsidiaries, the reference to "twenty percent of the paid-in capital of the Company" or "ten percent of the total assets" is based on the Company's paid-in capital or total assets.

Article 15. Penalties

If any of the relevant personnel of the Company violates the regulations for handling the acquisition and disposal of assets, they shall be regularly reported to the Company for

evaluation in accordance with the Company's Personnel Rules and Regulations and shall be punished in accordance with the severity of the case.

Article 16. Implementation and Amendment

1. These Regulations shall be approved by the Audit Committee and then by the Board of Directors, and shall be submitted to the Shareholders' meeting for approval, and the same shall apply to any amendments thereto.
2. If the Company has independent director(s) who submit the procedures for the acquisition or disposal of assets to the Board of Directors for discussion in accordance with the preceding provisions, the opinions of each independent director shall be fully considered. If the independent directors have objections or reservations, they shall be stated in the minutes of the board meeting.
3. If the Company establishes an Audit Committee and then formulate or amends the regulations for handling acquisition or disposal of Assets, such procedures shall be approved by at least one-half of all members of the Audit Committee and shall be submitted to the Board of Directors for resolution.

If any of the preceding matters is not approved by more than one-half of all the members of the Audit Committee, it shall be approved by more than two-thirds of all the Directors, and the resolution of the Audit Committee shall be recorded in the minutes of the board meeting.

All members of the Audit Committee referred to in the third paragraph and all directors referred to in the preceding paragraph are counted as if they were actually in office.

Article 17. Supplementary Provisions

Matters not covered in these Regulations shall be handled in accordance with the relevant laws and regulations and the relevant rules of the Company.

NORTH-STAR INTERNATIONAL CO., LTD.

Articles of Association

Chapter 1. General Provisions

- Article 1 The company is organized in accordance with the Company Act and named NORTH-STAR INTERNATIONAL CO., LTD.
- Article 2 The business of the company covers the following areas:
1. CA02010 Manufacture of Metal Structure and Architectural Components.
 2. D101060 Self-usage Power Generation Equipment Utilizing Renewable Energy.
 3. E502010 Fuel Catheter Installation Engineering.
 4. E599010 Pipe Lines Construction.
 5. E601020 Electric Appliance Installation.
 6. E603010 Cable Installation Engineering.
 7. E603040 Fire Fighting Equipment Construction.
 8. E603100 Electric Welding Engineering.
 9. E603110 Quench Construction.
 10. E603120 Sand Blasting Engineering.
 11. E603130 Gas Water Heater Contractors.
 12. E604010 Machinery Installation Construction.
 13. E 903010 Anti-Corrosion and Anti-Rust Engineering.
 14. EZ02010 Crane and Hoist Services Engineering.
 15. EZ03010 Furnace Installation Construction.
 16. EZ07010 Drilling Engineering.
 17. EZ09010 Electrostatic Protection and Cancellation Engineering.
 18. EZ15010 Warming and Cooling Maintenance Construction.
 19. EZ99990 Other Engineering.
 20. F112010 Wholesale of Gasoline and Diesel Fuel.
 21. F112040 Wholesale of Petrochemical Fuel Products.
 22. F113030 Wholesale of Precision Instruments.
 23. F113100 Wholesale of Pollution Controlling Equipment.
 24. F114030 Wholesale of Motor Vehicle Parts and Supplies.
 25. F203010 Retail sale of Food Products and Groceries.
 26. F203020 Retail Sale of Tobacco and Alcohol.
 27. F206020 Retail Sale of daily commodities.

28. F212011 Gas Stations.
29. F212050 Retail Sale of Petrochemical Fuel Products.
30. F212061 Automobile Liquefied Petroleum Gas Station.
31. F213040 Retail Sale of Precision Instruments.
32. F213100 Retail Sale of Pollution Controlling Equipment.
33. F214010 Retail Sale of Automobiles.
34. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories.
35. F399010 Convenience Stores.
36. F401010 International Trade.
37. F501030 Beverage Shops.
38. F501060 Restaurants.
39. G202010 Parking area Operators.
40. H701010 Housing and Building Development and Rental.
41. H701020 Industrial Factory Buildings Lease Construction and Development.
42. H701040 Specific Area Development.
43. H701050 Public Works Construction and Investment.
44. H701080 Urban Renewal Reconstruction.
45. H703090 Real Estate Commerce.
46. H703100 Real Estate Leasing.
47. H703110 Senior Citizen Residence.
48. I103060 Management Consulting.
49. I199990 Other Consultancy.
50. IG03010 Energy Technical Services.
51. J101050 Environmental Testing Services.
52. J101090 Waste Disposal.
53. J101990 Other Environmental Sanitation and Pollution Prevention Service.
54. J701020 Amusement Parks.
55. J801030 Athletics and Recreational Sports Stadium.
56. JA01010 Automobile Repair.
57. JA01040 Liquefied Petroleum Gas Automobile Refitting.
58. JA01990 Other Automobile Services.
59. JE01010 Rental and Leasing.
60. I301010 Software Design Services.
61. I301020 Data Processing Services.
62. I301030 Electronic Information Supply Services.
63. F399040 Retail Sale No Storefront
64. ZZ99999 All business activities that are not prohibited or restricted by law,

except those that are subject to special approval.

- Article 2-1 To meet the needs of the business, the company authorizes the board of directors to handle the reinvestment business, and is not subject to the restriction that the total investment shall not exceed 40% of the company's paid-in share capital as stipulated in Article 13 of the Company Act.
- Article 2-2 (Deleted).
- Article 3 The company has its head office in New Taipei City, and may set up branches in Taiwan and abroad with the resolution of the board of directors, if necessary.
- Article 4 (Deleted).
- Article 4-1 The company may endorse an external party for business needs.

Chapter 2. Shares

- Article 5 The company's total capital is rated at NT\$8.8 billion, which is divided into 880 million shares, each with an amount of NT\$10. Among them, the unissued shares are authorized to the board of directors to issue in instalments according to actual needs.
- Article 6 (Deleted).
- Article 7 The stock certificates of the company are signed or stamped by the director representing the company, and issued after being legally certified and signed. The company is exempted from printing stock certificates after its public offering.
- Article 8 The name change and ownership transfer of shares shall not be carried out within sixty (60) days before the general shareholders' meeting, within thirty (30) days before the extraordinary shareholders' meeting, or within five (5) days before the company decides to distribute dividends and bonuses or other benefits.
- Article 8-1 When the company issues new shares, the employees who purchase the shares include employees of the controlling company or subordinate company who meet certain conditions.

Chapter 3. Shareholders' meeting

- Article 9 Shareholders' meeting is divided into two types: general meeting and extraordinary meeting. The general meeting is held once a year within six months after the end of each fiscal year, and the extraordinary meeting is called when necessary in accordance with relevant laws and regulations.
- Article 9-1 During a shareholders' meeting, video conferencing or other methods announced by the competent authority may be used. If the meeting is held by video conference, the shareholders participating in the conference through video are considered to be present in person.
- Article 10 When a shareholder is unable to attend the shareholders' meeting, he/she may present a power of attorney issued by the company specifying the scope of authorization, and appoint a proxy to attend the meeting on his/her behalf. In addition to the provisions of Article 177 of the Company Act, the method of proxy attendance by shareholders shall be handled in accordance with the "Regulations Governing the Use of Proxies

for Attendance at Shareholders' Meetings of Public Companies" promulgated by the competent authority.

Article 11 Unless otherwise provided by law, each shareholder of the company shall have one voting right per share.

Article 12 Shareholders may exercise their voting rights in the shareholders' meeting in writing or by electronic means, and the shareholders exercising their voting rights in writing or by electronic means shall be deemed to be attending the shareholders' meeting in person. However, the extraordinary motions and amendments to the original motions in the shareholders' meeting of that time shall be regarded as an abstention.

Unless otherwise provided by relevant laws and regulations, the resolution of a shareholders' meeting shall be attended by shareholders representing more than half of the total number of issued shares in person or by proxy, and shall be carried out with the consent of more than half of the voting rights of the attending shareholders.

Article 12-1 When the shareholders' meeting is convened by the board of directors, the chairperson of the meeting shall be the chairman of the company. If the chairman is on leave or unable to chair for some reason, the chairman shall designate a director to represent him. If the chairman does not designate an agent, the directors shall elect one person among them to be the agent. When the shareholders' meeting is convened by a person other than the board of directors who has the right to convene, the person with the right to convene shall act as the chairperson of the meeting. When there are more than two persons with the right to convene, one of them shall be elected as the chairperson of the meeting.

Article 12-2 The resolutions of the shareholders' meeting shall be made into minutes, and signed or sealed by the chairman, and the minutes shall be distributed to all shareholders within twenty (20) days after the meeting. The distribution of the minutes as mentioned in the preceding paragraph may be done by public announcement.

Chapter 4. Directors

Article 13 The company has nine to thirteen directors, whose term of office is three years, and they are eligible for re-election. The number of directors is set by the board of directors. The shareholding ratio of all directors shall be in accordance with the regulations of the securities management authority.

Among the number of directors referred to in the preceding paragraph, there shall be at least three independent directors.

The election of directors adopts the candidate nomination system stipulated in Article 192-1 of the Company Act, and the shareholders' meeting selects candidates from the list of candidates. The method of accepting the nomination of candidates and other related matters are handled in accordance with the Company Act, the relevant laws and regulations of the Securities Exchange Act. Independent directors and non-independent directors shall be elected together, and the number of elected candidates shall be calculated separately.

Article 13-1 When the vacancy of directors reaches one-third, the board of directors shall hold an extraordinary shareholders' meeting for the by-election within sixty (60) days, and the term of office shall be limited to the original term of office.

Article 13-2 The board of directors meeting is held at least once a quarter.

The convening of the board of directors meeting shall state the reasons and notify all directors seven (7) days in advance. However, in case of emergency, the meeting may be convened at any time. The company's board of directors meeting may be convened in writing, by e-mail (E-mail) or by fax

Article 13-3 The company shall set up an audit committee which shall be composed of all independent directors. The audit committee or the members of the audit committee shall be responsible for implementing the duties and powers of supervisors stipulated in the Company Act, Securities Exchange Law and other laws and regulations.

Article 14 The board of directors is organized by the directors. Under the conditions that more than two-thirds of the directors are present and more than half of the directors present agree, one chairman and one vice chairman are elected among them, where the chairman represents the company externally.

Article 14-1 Unless otherwise stipulated by the Company Act, resolutions of the board of directors shall be made under the condition that more than half of the directors attend the meeting and the agreement of more than half of the directors attending the board of directors meeting. If a director cannot attend the board of directors for any reason, he may entrust another person to attend the meeting in accordance with Article 205 of the Company Act.

Article 15 When the chairman asks for leave or is unable to perform his duties for some reason, his agent shall perform the chairman's duty in accordance with Article 208 of the Company Act.

Article 16 The remuneration of all directors is based on the degree of participation in the company's operations, the value of their contributions to the company, and the reference to the industry standards. The board of directors is authorized to negotiate the directors' remuneration.

Article 16-1 The company may purchase liability insurance for its directors.

Chapter 5. Manager

Article 17 The company may have a general manager, several vice presidents and managers, whose appointment, dismissal and remuneration shall be handled in accordance with the provision of Article 29 of the Company Act.

Chapter 6. Accounting

Article 18 The company's fiscal year is from January 1st to December 31st of each year. The board of directors shall prepare and submit the following reports the general shareholders' meeting at the end of each fiscal year for approval:

(1) Business report.

(2) Financial report.

(3) Surplus distribution or loss appropriation case.

Article 19 (Deleted).

Article 20 If the company makes a profit in the year, no less than 1% shall be allocated as

employee remuneration, and the board of directors will decide through resolution to distribute it in the form of stock or cash, and the distribution objects may include employees of subordinate companies who meet certain conditions. The company may allocate no more than 3% of the amount of the above-mentioned profit as the directors' remuneration through the resolution of the board of directors meeting. The distribution of employee remuneration and director's remuneration shall be submitted and reported to the shareholders' meeting.

However, if the company still has cumulative losses, the company shall reserve the compensation amount in advance, and then allocate the employee remuneration and director remuneration according to the proportion mentioned in the preceding paragraph.

- Article 20-1 If there is a surplus in the annual final accounts, taxes shall be paid first, previous losses shall be compensated, and 10% of the surplus shall be withdrawn as the statutory surplus reserve. However, when the statutory surplus reserve has reached the paid-in capital of the company, no surplus shall be withdrawn any further. According to the company's operating needs and legal requirements, special surplus reserves may be set aside, and if there is still a balance, the board of directors will prepare a surplus distribution proposal for the balance and the accumulated undistributed surplus, and submit the proposal to the shareholders' meeting for a resolution to distribute dividends to shareholders.

The company's dividend policy is in line with the current and future development plans, considering the investment environment, capital needs, and domestic and foreign competition conditions, and taking into account shareholders' interests and other factors, and allocating no less than 50% of the surplus available for distribution as the shareholder dividends every year. When distributing the shareholder dividends, the dividends can be paid in cash or stock, and the cash dividends shall not be less than 20% of the total dividends.

Chapter 7. Supplementary Provisions

- Article 21 Matters not stipulated in this Articles of Association shall be handled in accordance with the Company Act and other relevant laws and regulations.

- Article 22 This Articles of Association were established on November 28, 1988.

The first amendment was made on September 15, 1989.

The second amendment was made on September 18, 1989.

The third amendment was made on June 30, 1990.

The fourth amendment was made on June 1, 1991.

The fifth amendment was made on November 24, 1991.

The sixth amendment was made on May 21, 1995.

The seventh amendment was made on May 24, 1997.

The eighth amendment was made on June 27, 1998.

The ninth amendment was made on June 27, 1999.

The tenth amendment was made on June 3, 2000.

The eleventh amendment was made on June 15, 2001

The twelfth amendment was made on June 15, 2001.

The thirteenth amendment was made on June 24, 2002.

The fourteenth amendment was made on June 20, 2003.

The fifteenth amendment was made on May 17, 2004.

The sixteenth amendment was made on June 14, 2005.

The seventeenth amendment was made on June 27, 2006.

The eighteenth amendment was made on June 11, 2007.

The nineteenth amendment was made on June 6, 2008.

The twentieth amendment was made on June 16, 2009.

The twenty-first amendment was made on June 15, 2010.

The twenty-second amendment was made on June 22, 2011.

The twenty-third amendment was made on May 25, 2012.

The twenty-fourth amendment was made on May 27, 2014.

The twenty-fifth amendment was made on June 3, 2015.

The twenty-sixth amendment was made on May 13, 2016.

The twenty-seventh amendment was made on May 29, 2018.

The twenty-eighth amendment was made on June 9, 2020.

The twenty-ninth amendment was made on June 23, 2022.

These Articles of Association are implemented after the approval of the shareholders' meeting, and the same applies to amendments.

Shareholding of Directors

Closing date: April 23, 2024

Total number of issued shares: 326,445,518shares

Statutory minimum number of shares held by all directors: 13,057,676shares

Unit: share

Title	Name	No. of shares held on closing date as recorded in shareholder register	Shareholding ratio
Chairman	Chung, Jia-Cun	24,576,192	7.53%
Director	Kaohsiung Transportation Co., Ltd. Representative: Tse, An-Chi	69,105,218	21.17%
Director	Kaohsiung Transportation Co., Ltd. Representative: Chung, Yu-Lin		
Director	Kaohsiung Transportation Co., Ltd. Representative: Li, Tsung-Hsi		
Director	Kaohsiung Transportation Co., Ltd. Representative: Tseng, Yi-Nan		
Director	Kaohsiung Transportation Co., Ltd. Representative: Liao, Shun-Qing		
Director	Kaohsiung Transportation Co., Ltd. Representative: Vacant		
Director	Dong Cheng Investment Consulting Co., Ltd.	22,409,949	6.86%
Independent Director	Chang, Chih-Ming	1,880	0.00%
Independent Director	Hou Shu-Hui	0	0.00%
Independent Director	Tsai, Jia-Yu	0	0.00%
Total number of shares held by all directors:			35.56%