



Stock Code : 2206

Sanyang Motor Co., Ltd.

2023 Annual Shareholders' Meeting

Meeting Handbook

June 28, 2023

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THIS IS A TRANSLATION OF THE HANDBOOK FOR THE 2023 ANNUAL SHAREHOLDERS' MEETING OF SANYANG MOTOR CO., LTD. THE TRANSLATION IS FOR REFERENCE ONLY.

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Chapter 1 Procedure for 2023 Annual Shareholders' Meeting of Sanyang Motor Co., Ltd.

- I. Call Meeting to Order (report total shares represented by shareholders present and shareholder's agents)
- II. Chairperson Remarks
- III. Report Items
- IV. Election Items
- V. Ratification Items
- VI. Discussion Items
- VII. Extemporary Motions
- VIII. Adjournment

Chapter 2 Agenda of the 2023 Annual Shareholders' Meeting of Sanyang Motor Co., Ltd.

- I. Time: 9:00 a.m. on Jun. 28, 2023
- II. Location: No. 19, Sanmin Road, Hukou Township, Hsinchu County
- III. Report of Attending Shares
- IV. Chairperson Remarks
- V. Report Items
 - (I) 2022 Business Report
 - (II) Audit Committee's review of the 2022 annual final accounting books and statements
 - (III) Report on 2022 employees' and directors' remuneration
 - (IV) Earnings Distribution Report of the First Half of 2022
 - (V) 2022 Treasure Stock Execution Report
- VI. Election Items

Election for the 27th Board of Directors
- VII. Ratification Items
 - (I) 2022 Business Report and Financial Statements.
 - (II) 2022 Earnings Distribution.
- VIII. Discussion Items
 - (I) Amendments to the Company's "Articles of Incorporation"
 - (II) Approve the lifting of non-competition restrictions for 27th directors and its authorized representative of the Company
- IX. Extemporaneous Motions
- X. Adjournment

Chapter 3 Report Items

I. 2022 Business Report

Sanyang Motor Co., Ltd. Business Report

(I) Results of Operation

Net sales amount was NT\$ 35,882,517 thousand, and compared with the net sales in 2021 amounting to NT\$29,876,799 thousand, a 20.10% increase.

(II) Budget Execution

Unit: NT\$ 1,000

Items	Estimated 2022 net operating revenue	Actual 2022 net operating revenue	Difference	Control rate
Motorcycles	20,012,156	20,906,964	894,808	104.47
Automobiles	11,157,114	11,969,875	812,761	107.28
Others	2,369,940	3,005,678	635,738	126.83
Total	33,539,210	35,882,517	2,343,307	106.99

(III) Financial Revenue and Expenditure and Profitability Analysis

1. Financial revenue and expenditure

In 2022, net operating revenue was NT\$ 35,882,517 thousand, operating cost was NT\$ 31,649,964 thousand, operating expense was NT\$ 2,459,217 thousand, net operating income was NT\$ 1,745,717 thousand, net profit of non-operating income and expense was NT\$ 1,721,513 thousand and profit before income tax was NT\$ 3,467,230 thousand.

2. Profitability analysis:

Items	2022	2021
Return on assets (ROA) (%)	8.47	5.58
Return on equity (ROE) (%)	18.75	12.13
Net profit margin (%)	8.68	6.13
Earnings per share (EPS) (current period) (NT\$)	3.93	2.30

(IV) Research and Development

1. Motorcycles

(1) Mass production models launched in 2022:

A. All-new DUKE 125 (Taiwan)

Introduction

The all-new Duke, a “national universal motorcycle” inspired by Sanyang for the new era, satisfies the commutation, mobility and family scenarios and caters to various user needs in all aspects. It features the all-new EnMIS asynchronous ignition system with the dual spark plug, which creates the optimal fuel consumption value of merely 63.9km/L while ensuring the optimal dynamic performance. Moreover, it also defines the style a national universal motorcycle should have in the new era with its elegant and simple profile. Functionally, it boasts the maximum storage space under the cushion among the 37.5kg class, a front opening storage space that easily accommodates 700c.c. of hand-shaken drink, an ample front foot space that can hold a 20-inch boarding luggage case, the cushion with the biggest length of 689 mm in the same class, a cushion height of merely 755mm that makes two passengers more comfortable and a light weight combined with an easy central column that makes it easier to wander, shuttle or park in the metropolis. With the good sales record and numerous compliments won after the launch, the all-new Duke has redefined the standard and example for the national universal motorcycle for the new era.

Product positioning

The major target customers are males aged 35~54, a group that pay more attention to economy, safety and practicality. They mainly use the motorcycle to go to work, pick up family members or go shopping. They don't desire very complicated functions but are more sensitive to price and stress practical functions in making sales decision. It is mainly positioned as the national universal motorcycle equipped with all-new technologies.

B. Fiddle 125/Fiddle DX 150 (Taiwan)

Introduction

It is a representative motorcycle Sanyang has forged to take a foothold in the fashion market and target metropolitan men and women who prefer the classic and fashionable style. Fiddle renders an elegant and dedicate classic style, highlights the design language with an elegant streamline across the

body and embodies an elegant and introvert atmosphere with a mellow and full profile. Moreover, the reshaped heat cover of the exhaust pipe is a better proof that Sanyang pays much attention to quality in detail. In 2022, Fiddle optimized the front foot space and storage space to enhance the convenience and safety for users. In August, we launched the version equipped with the keyless start/stop system version in order for customers to ride more elegantly and save the trouble of finding no key. Fiddle not only pays much attention to every detail of exterior design but also attaches importance to the users' needs in the hope of providing a better driving experience. It is a motorcycle that reflects the elegant texture from exterior design to internal configuration.

Product positioning

Targeting middle and high income office workers aged 25 to 44. The 125c.c. version mainly targets women and the 150c.c. Version mainly targets men. They are consumers who prefer retro models and focus on product designs. Applicable to medium/short-distance commuting, it is an urban motorcycle with excellent shape and practicability in virtue of Grade I fuel consumption.

C. KRNBT 125 (Taiwan)

Introduction

The KRNBT is a new motorcycle developed outside of existing motorcycle segments to satisfy the pursuit of exclusive pleasure, attract new customers who prefer unique concepts and inspire the favorite for the SYM brand among the young. It offers pleasure with the perception of uniqueness, virility, with technologically advanced features. It designs a multifunctional lock on the frame to satisfy the pleasure of diversified appearance. It is armed with an inversed front suspension, a dual triangular platform, an enforced medium and low-speed setting and an SYM-specific Three Zero technology-based engine, which inspires the driver to drive with enthusiasm. After shipment, the original KRNBT presents a strong unique atmosphere. Moreover, consumers can apply their creative ideas to design more personalized exteriors based on personal needs and preferences, thereby making every KRNBT unique in the city.

Product positioning

Young males and females aged 18-24 who like to be unique and who value self-expression. The KRNBT is unique in style, changeable pleasure and maneuverability. As a motorcycle born for personalization, it is simply positioned as “the entire city is your amusement park”.

D. DRGBT 158 R-Edition (Taiwan)

Introduction

DRG BT is a brand new generation of liquid-cooled engine, 158 c.c. scooter introduced for the Taiwanese market. With the dragon, one of the oriental four divine beasts, as its design inspiration, its edgy styling was integrated with the high-speed line of supercars. It is positioned as a “performance sporty scooter” among the various models of scooters. With its unique exterior design and excellent functional equipment, it has won numerous praises since its launch in 2019. In July 2022, the DRGBT has evolved again and the keyless start system version was launched to upgrade convenience. At the same time, it adopts the all-new crystal brake pump design with the upgraded texture, and the 3D tridimensional handle button switch that greatly upgrades the hand feeling with the optimal ergonomic design. With the continuous optimization of the overall style, the DRGBT displays the unique charm of a flagship-grade performance racing motorcycle and lays the foundation for its flagship performance again.

Product positioning

The major target customers are men aged 18-24, and the second-tier customers are men aged 25-29. With a unique, avant-garde, speedy appearance, and rich technological equipment, it meets the demands of young people's leisure and heavy motorcyclists' daily multi-functional life.

E. MMBCU 158 (Taiwan)

Introduction

To continuously satisfy different consumer groups, SYM has launched an all-new product line “ the CU series” based on its proud 158c.c.

R-generation water-cooled engine. In the CU, C means crossover and U means the unique design style. The first model launched in the CU series is the MMBCU, a new-generation running motorcycle.

The MMBCU combines the European design style and the Mamba’s image, includes the biological characteristics of the Mamba in the overall detailed design, including the tridimensional scale texture rendered on the lateral varnish part and the snake bellow sketch on the PP material, to enhance the specific texture. Besides, the MMBCU also adopts the LED headlight as well as the LED positioning light, turning lights and taillights, which make the MMBCU more identifiable and riding safer while enhancing the visual effect.

Product positioning

The major target customers are men aged 30-34, and the second-tier customers are men aged 35-39. It balances performance and riding comfort and satisfies consumers' desire to enjoy the riding pleasure.

F. Joymax Z+ (Taiwan)

Introduction

After introducing the new front style and the modified dual LED headlights in European and Chinese markets, the motorcycle has won the consumer preference and changed its introvert style to the generous and steady style. Yet, it still maintains the flexible visual perception. Thus, it has been introduced to the Taiwanese market and added the TCS (track system) active safety system. It is a "beginner cruiser 300 with high-quality riding feeling and the high-CP value large scooter at a favorable price.

Product positioning

Oriented to (young and mature) male office workers at the age of 30-40, people purchasing motorcycle for the first time who is sensitive to price and has limited motorcycle budget. It can meet the use demands of 80% daily urban commuting and the 20% suburb travel.

G. MAXSYM TL (Taiwan)

Introduction

It is an all-new scooter at the 500c.c. Grade that has been introduced to Taiwan after acknowledged in Europe. It has increased the displacement from the original 465c.c. to 508c.c. and upgraded the active safety configuration "TCS tracking system". This motorcycle conforms to the phase VII law in Taiwan.

Product positioning

MAXSYM TL targets ages 30-50, male office workers and professionals, outdoor activity lovers, fond of the feel of speed (similar to cycling), currently riding SC300-400 or medium to large size scooters but looking to transform to the SC series.

H. Symphony Cargo (Europe)

Introduction

It is a 16-inch commercial motorcycle based on the Symphony S series sold in the market. The Symphony Cargo highlights the modern profile as the major design language, evolves the frame load in every aspect and introduces the front and rear racks to satisfy the B2B commercial need as the unique feature.

Product positioning

The 16-inch B2B commercial motorcycle reinforces the modern fashionable sense and provides the multifunctional loading capacity.

I. JOYRIDE 300/JOYRIDE 16 300 (Europe, China and other regions)

Introduction

It is a pedal scooter with the large tire diameter and European style mainly targeting the European market. It boasts the concise and aggressive exterior design and highlights the all-LED lights, adjustable wind shield, highly identifiable color liquid crystal panel, keyless system and high-volume storage space as the unique features. The JOYRIDE 300 is also sold in the Chinese market in addition to the European market.

Product positioning

Oriented to male office workers aged 30-50, it concerns shape and brand. 80% of application is for daily commuting and 20% is for holiday suburb travel.

J. HUSKY ADV (China)

Introduction

The all-new crossover adventure motorcycle HUSKY ADV features a manly exterior design and a 150c.c. water-cooled engine that outputs a horsepower of 14.4P and a 1.47NM torch and exhibits an outstanding performance. It has 13-inch front and rear tires with a wheel base of 1380mm. Equipped with the ABS, all-LED lights, TFT color instrument panel and 15L tank volume for a long range, it can satisfy the desire of those adventuring users.

Product positioning

It is a metropolitan/outdoor adventuring motorcycle that targets young and mature males and professionals aged 30~50 who love approaching nature and satisfies their daily commutation and excursion during holidays.

(2) 2023 mass production models

Besides the existing 50-600 c.c. under mass production, for the different types of motorcycles and light motorcycles, we will, besides satisfying different market demands, launch the brand-new and modified new type motorcycles both in domestic and foreign markets in 2023 in successions according to market demands of different markets and compartments, including four brand-new scooters, six modified scooters, one brand-new modified electric motorcycle and one modified electric scooter, which will contribute the

motorcycle sales and income a lot.

2. Automobiles

(1) 2022 automobiles under mass production

A. The All-New CUSTIN

Introduction

As a strategic model from Hyundai in Asia, the CUSTIN flagship tourer combines the “Customer” concept, meaning the gift for the family, and the concept of “Interior”, meaning the luxurious and technological interior, considering that more than 14% of the families in Taiwan have three generations and the annual demand for family MPVs is up to 5,000 vehicles. It boasts the body length of 4,950mm that is the most suitable for the traffic environment in Taiwan and the wheel base up to 3,055mm, which confer the tourer the flexibility to shuttle in the city and maximize the cabin space. It is worth the multifunctional model representative with the most avant-garde and simple sense in the market.

It is comparable to the MPV segment priced above NT\$2 million in terms of luxurious and comfortable configuration and space, and the tail door has the intelligent electric sensing function. After opening the electric sliding doors with the sensing function on both sides, you will enjoy the prestige of an extraordinary ample cabin space created by the wheel base of up to 3,055mm and the upscale leather seats in all rows. Of the luxury seats in the first row of the VIP edition, the driver’s seat has the 8-direction electric adjustment and memory function, the co-pilot seat also has the 4-direction electric adjustment function and both seats provide the ventilation/heating function to entertain the driver and the passenger in the front row with the highest level.

The VIP royal seats in the second row are the extraordinary luxury configuration that empowers the CUSTIN flagship tourer to challenge the rivals at higher levels. They have the 10-direction electric adjustment mechanism (with the electric leg rest), ventilation/heating function and multimodal adjustment function (normal/recreational/sleep) and permit family members to control them through the 10.4-inch integrated multimedia system on the center console. Also, the indoor atmosphere lighting system allows you to enjoy yourself in the most relaxed and comfortable manner when you sit in the CUSTIN flagship tourer. Every model of the CUSTIN flagship tourer provides the

constant-temperature air-conditioner and dual sunshade as the standard configuration, an independent A/C outlet for the second and third rows and an A/C air flow control function in the third row. The CUSTIN flagship tourer provides the call function, a meticulous internal communication design, to share surprises with family members on the phone during the travel. This fully demonstrates the CUSTIN flagship tourer cares for every passenger with the greatest consideration.

Product positioning

A strategic model of Hyundai in Asia - the top-ranking LMPV-CUSTIN flagship tourer

B. VENUE limited mini tourer with a color game attracting numerous fans

Introduction

Ever since its launch, the All-New VENUE, an omnipotent crossover mini tourer, has caught the consumer eyeballs in the market with its good look, provide good value for the money and active/negative safety configurations beyond its class. In 2022, we provided the most genuine pink, an all-new color attracting numerous fans, after the “Tiffany Blue”, “Jennifer Yellow” and “Gray” were highly welcomed.

With the lively and audacious Two-tone dual color match, the All-New VENUE permits you to become the most conspicuous when you shuttle in the street. Moreover, the car also allows you not only to look handsome but also to catch eyeballs at every glance with the exclusive coating with the sweet atmosphere and texture, the tank shield dotted with triangular stars, the LED daytime light band, the white Two-tone dual-color roof, rear views, the lower kits on the along the body and the black-and-white dual color seats.

Product positioning

Targets young customers looking for new changes with limited vivid color edition.

C. The VENUE comes with the genuine color of “White Black”

Introduction

White represents no colors and black gathers all colors. The black-and-white match can both render a concise design texture and also present the classic and purest attitude. The leisure-focused tourer Hyundai Venue with a good game of colors has launched an all-new “Black & White B&W” edition to challenge the new black and white tone on a small car.

The master tone - black crystal black - of the body matches white in detail, the exclusive BW badge and the extreme black dual-color cut aluminum rim to present the extreme taste of the White Black to all and catch eyeballs. The inside has the newly-introduced classic diamond leather seats and the personalized metal pedal to salute every fan of black-and-white cars with fresh ideas. The VENUE White Black will boldly trigger a new wave of extraordinary color series. It is absolutely the most worth fashionable ornament with the best value for money, impressive driving experience and active/negative safety configuration beyond its class.

Product positioning

Targets young customers looking for new changes with limited vivid color edition.

D. IONIQ 5

Introduction

Hyundai's electric vehicle brand - IONIQ - originates from two words: ion and unique, meaning it is a leading model that will blaze the trail for electric vehicles with the unique features. Also, the brand highlights dimensions such as sustainability, function, technology and life so that electric vehicles can truly satisfy the driving and mobility demand to help the world go, embrace the future together and also present an all-new electric mobility life to mankind.

As the first electric vehicle masterpiece under the IONIQ brand, the IONIQ 5 is built on the E-GMP - a global modular platform for electric vehicles, and an industry-leading battery group with a high density cell, thereby making an ultra-long endurance mileage and an ultra-fast charging possible. The EV400 and EV500 models have a total battery power volume of 58.0kWh and 72.6kWh and a maximum endurance mileage (based on the NEDC test standard) of 438km and 567km respectively. The EV500 Performance provides an even longer endurance mileage of up to 496km. The models can charge the battery by 10%~80% within 18 minutes, thereby substantially improving the driving convenience. In addition, it is equipped with exclusive technologies to accurately control the battery power: PDS three-stage kinetic energy regenerative braking system (with control paddles), i-PEDAL single pedal driving mode, Column Rotary knob-style wire-transmitted gear system, low battery warning system, charging status indicator, CCC intelligent power monitoring system (with energy consumption ratio /preset charging time/charging max limit

adjustable), the VESS virtual engine sound system and the V2L external power supply converter, which will completely change people's perception of electric vehicles. Benefiting from the excellent space of the E-GMP chassis, the IONIQ 5 creates a stunning 3,000 mm longest wheel base in its class and maximizes the interior passenger space design. The landscape-style panoramic sunroof, the only 12-direction dual front seats in the same class, the prestige-grade fully tilting electric seats (with heating/ventilation function), the Sliding Console central armrest sliding function, and the second row that can slide forward and backward and adjust the tilt angle all break through the traditional spatial framework. The dual 12.25-inch digital instrument panel and the new EV information interface design make it easy to confirm the endurance mileage of power. It has newly introduced the Column Rotary knob-style wire-transmitted system, the i-PEDAL intelligent kinetic energy regenerative braking system, the Qi wireless charging seat, and the built-in scenario sound system matched with the BOSE upscale aesthetics and the 64-color ambient lighting system, which provide the latest generation of intelligent equipment. The streamlined body, flattened chassis, exclusive low-drag wheels and double-layer soundproof glass provide a comfortable and tranquil riding experience, and creating a luxurious and comfortable high-quality life experience.

Product positioning

A pure electric SUV built with the core concept of the life in the car.

E. The All New STARIA

Introduction

The HYUNDAI STARIA is named after the combination of STAR (star) and RIA (wave). The exterior concept originates from the style of the interstellar flagship with a streamlined design and large side windows, which breaks the traditional business travelers' square-shaped design. The cabin design, derived from the perspective of driving and passengers, creates a 360-degree global perspective. The LED daytime running light design crossing the center is like the rising star and moonlight, leading to a different path to success.

The exclusive rose gold tank shield is deliberately integrated into the matrix LED headlight, the rear views on both sides and the aluminum rims with the geometrical cutting profile are also colored rose golden, and the tail is equipped with the conspicuous matrix-style LED beams. The cabin

integrates the first class concept of aircrafts and features comfortable sitting/lying, panoramic view, perfect texture and functional storage. The design language of the All New STARIA transmits the concepts of innovation, prestige and daring, which present the exclusive charm of the future star and make it an exclusive choice for the luxury MPV.

The All New STARIA luxury tourer boasts an ample space and an electric sliding door with intelligent sensing on each side and automatic opening based on the technological sensing. The luxurious second row is equipped with the dual independent RELAXATION zero-gravity electric seat that is wrapped with the NAPPA extreme leather and provides ventilation, heating, four-direction leg rest and lying prone with one button. Besides, the car also provides the independent constant-temperature air-conditioner and large-sized dual sunshade for the second and third rows. The tourer practically balances the need to take multiple passengers in business activities and transport goods, and the intelligent electric tail door and the long sliding rail of the third-row seats utilize the space.

The STARIA luxury tourer leads its class with a solid body structure forged with a high proportion of AHSS advanced high-rigidity steel. Moreover, it has introduced the advanced technology Hyundai SmartSense of the brand and provides Level 2 smart safety configurations, including the SCC smart active space maintenance system, the LFA lane maintenance assistance at all speed ranges, the LKA lane deviation assistance system, the LDW lane deviation warning system, the FCA-JT front collision assistance, the FCW front collision warning system, the BCA blind zone collision avoidance assistance, the RCCA rear collision assistance, the ROA rear passenger stay warning and the SEA safe exit assistance. Multiple industry-leading safety configurations create the best reliance and confidence.

Product positioning

The future flagship tourer for CEOs.

F. Santa Fe ROYAL SEAT Six-seat Flagship

Introduction

The Santa Fe has led the peers to install the engine based on the new Turbo Hybrid technology. It boasts a mighty turbocharged engine, an all-new driving experience of the chassis and the sound active/negative safety configuration. It will attack the L-SUV luxury tourer market in Taiwan. In 2022, we launched the all-new Royal Seat, a six-seat vehicle. It has introduced the flagship seats with the independent heating device for the

second row and the private window sunshade for the second row. Also, the vehicle provides the 12.3-inch digital instrument panel, the large-sized panoramic sunshade and the dual front seats with the ventilation, heating and memory functions. All these will make the recreational tourer of successful people demonstrate both advanced technologies and luxury, and also highlight the riding experience specific to their class.

Product positioning

The all-new ROYAL SEAT six-seat vehicle, one of the green energy SUV models from Hyundai for the latest generation, provides flagship seats for the second row and creates a prestigious experience of the rear seat.

(2) Automobile types that will be produced in bulk in 2023:

The fuel-electric vehicles at various grades, electric vehicles and other environment-friendly and energy-saving models will be introduced in 2023 to satisfy customers' diverse methods and requirements for repurchase and upgrading.

(V) Outline of 2023 Business Plan

1. Business strategies

- (1) Quality: Finish work and deliver punctually and by ensuring both quality and quantity.
- (2) Innovation: Keep improving and enhancing the company's competitiveness with new thinking and technology.
- (3) Services: Strengthen professionalism and optimize customer experiences to improve brand satisfaction.

2. Expected sales volume

Business volume objective in 2023: 379,000 motorcycles and 17,000 automobiles.

3. Key production and distribution policy

(1) Innovate marketing strategy and seize customer sentiments

- A. Exhibit the brand values of vitality, enjoyment, innovation and fashionable sense based on the technological and young product design and bring more traveling funs to customers.
- B. Integrate the hardware and software capacity of distribution channels, intensify the information feedback, service and technical training of the channel through the digital marketing mode, create the channel store style and decoration complying with professional brand image, quickly respond to market demands, and enhance the channel management efficiency and the level of sales, maintenance and parts (3S).

- C. Break traditional advertisement and promotion modes based on innovative thinking, reinforce the interaction and linkage with users through the Internet we-media, quickly master and effectively respond to market changes.
 - D. Base research, and development and design on customer needs, maintain continuous innovation to improve efficiency, reduce costs, provide high and low-price models, and optimize product line portfolios to provide consumers with better choices.
- (2) Pursue outstanding quality and forge international competitive edges.
- A. Actively carry forward the modular and flat production standard and ensure the quality level of the global production base.
 - B. Keep quality audit consistent with the tutorship system, make the continuous improvement with three stages of “preventing before occurrence, preventing the outflow and preventing the secondary occurrence” and the three-don’ts policy of “not accept, not manufacture and not deliver” for nonconforming products, quickly respond to market intelligence and provide products and services to customer satisfaction.
 - C. Strengthen the problem awareness and problem-solving capacity of all staff and boost plant datamation, transparent information and reasonable process.
- (3) Exhibit Sanyang's manufacturing process and brand concept
- A. Become an important partner to Hyundai Motor in its international division of work, make every possible effort to improve the market competitiveness of products and keep abreast of the international brand operation of Hyundai.
 - B. Introduce energy-saving and NEVs, motor vehicles with high performance, vehicles at discounted prices and commercial vehicles, provide complete product lines and expand the market share.
 - C. Update production equipment and carry out reasonable process construction, seek for overseas OEM orders from Hyundai.
- (4) Cooperate with overseas agents with high quality products, occupy overseas market actively, improve brand awareness and enhance the global market occupancy rate.

Chairman:
Ching-Yuan Wu

Manager:
Ching-Yuan Wu

Accounting supervisor:
Kuei-Chin Huang

II. Audit Committee's review of the 2022 annual final accounting books and statements

Sanyang Motor Co., Ltd.
Audit Report of the Audit Committee

The Board of Directors has prepared the Company's 2022 Business Report, Financial Statements and Proposal for Earnings Distribution, among which the Financial Statements have been audited by KPMG, Taiwan, by whom an audit report has been issued accordingly. The above business report, financial statements and proposal for earnings distribution have been examined and reviewed by the Audit Committee, and no irregularities were found. According to the Securities and Exchange Act and the Company Act, we hereby submit this report.

Sincerely,

2023 Annual General Shareholders' Meeting of Sanyang Motor Co., Ltd.

Convener of the Audit Committee:
Chung-Chuan Shih

Mar. 15, 2023

III. Report on 2022 employees' and directors' remuneration

- (I) In accordance with Article 31-1 of the Articles of Incorporation: "If the Company has earnings, it shall set aside more than 1% of profit before income for employees' remuneration and the 1% or below remuneration to Directors."
- (II) According to provisions of the Articles of Incorporation, the Board of Directors ratified the resolution of distributing employees' labor remuneration of NT\$ 35,380 thousand and Directors' remuneration of NT\$ 35,380 thousand for 2022 on Mar. 15, 2023, both of which would be paid in cash.

IV. Earnings Distribution Report of the First Half of 2022

- (I) According to Item 3, Article 32 of the Articles of Incorporation, the Company's earnings distribution or deficit offset shall be after the end of every half fiscal year. The proposal of the Company's first half of the fiscal year's earnings distribution or deficit offset shall be submitted along with the business report and financial statements to the Audit Committee for review and then approved by the Board of Directors.
- (II) According to the Board resolution on Nov. 10, 2022, the Company's profits for the period of the first half of 2022 was NT\$ 1,657,137,996; earnings of the first half of 2022 were not be distributed in consideration of the Company's future capital and operational demands.

V. 2022 Treasure Stock Execution Report

Term of repurchase	The 14th time
Purpose of repurchase	To maintain credit and shareholders' equity
Repurchase period	2022/05/24 - 2022/05/24
Repurchase price range	NT\$ per share NT\$ 19.00 - 30.00
Scheduled quantity of repurchase	Common stock 6,000 thousand shares
Actual repurchased quantity	Common stock 150 thousand shares
Amount of shares repurchased	NT\$4,355,596
Quantity of shares cancelled	Common stock 150 thousand shares
Cumulative number of shares held in the Company	0%
Total treasury stock holdings as a percentage of total shares issued	0%
Reasons for buyback that have been reported but not completed	We still kept a wait-and-see attitude towards market quotation in the early period of the repurchase. We did not repurchase the shares due to the reasons below: The subsequent market price was higher than the preset repurchase ceiling for our share repurchase (the stock price was above NT\$30 from May 27 to July 15, 2022) and the repurchase was aimed to maintain our credit and safeguard shareholders' rights and interests. For this reason, the implementation rate of the share repurchase was relatively low.

Chapter 4 Election Items

Proposed by Board of Directors

Proposal: Election for the 27th Board of Directors

Description:

- I. The term of the members of the 26th Board of Directors of the Company will expire on June 22, 2023, and the new directors shall be reelected at this Annual Shareholders' Meeting according to law. Pursuant to Article 195 of the Company Act, if the term of a director expires but can't be reelected in time, the director shall continue to perform his duty until the reelected director assumes office.
- II. Article 18 and 18-1 of the Articles of Incorporation stipulate that the election of directors adopts a candidate nomination system, and the shareholders shall select eleven directors (including four independent directors) . The list of director candidates are provided on pages 20-21 of this handbook.
- III. The new directors shall serve a term of three years from June 28, 2023 to June 27, 2026.
- IV. Please kindly elect.

Election Results:

List of Directors (including Independent Directors)

(I) Director candidate

Name	Academic degree	Experience / Present	Shareholding (shares)
Ching-Yuan Wu	Master of Agriculture and Urban Planning, Chung Hua University	Chairperson and President of Sanyang Motor Co., Ltd. Chairperson and President of Taiwan Tea Corp. Vice Chairperson and President of Sanyang Motor Co., Ltd. Director of Sanyang Motor Co., Ltd.	20,126,240
Chien-Jin Investment Co.,Ltd. Representative: Li-Chu Wu	EMBA, Nanjing Normal University	Vice Chairperson of Sanyang Motor Co., Ltd. Director of Sanyang Motor Co., Ltd.	29,181,000 17,046,560
Chien-Jin Investment Co.,Ltd. Representative: Li-Hsi Chiang	Department of International Trade, Feng Chia University Department of Law, Hsuan Chuang University	Director of Sanyang Motor Co., Ltd. Supervisor of Sanyang Motor Co., Ltd. Legal Department of Chailease Finance Co., Ltd. Sales Department of Chailease Finance Co., Ltd.	29,181,000 106,200
Chien-Jin Investment Co.,Ltd. Representative: Yi-Cheng Wu	Master of Business Management of National United University	Director of Chairman's Office and Product Director of Product Management Division of Sanyang Motor Co., Ltd. President of NOVA DESIGN LTD. Product Director of Product Management Division and Vice Director of Marketing Planning Division of Sanyang Motor Co., Ltd. Vice Director of Overseas Sales Department of Vietnam Manufacturing and Export Processing	29,181,000 40,000

Name	Academic degree	Experience / Present	Shareholding (shares)
Chao-Yao Investment Co., Ltd. Representative: Yu-Chang Huang	Vocational High School	Director of Sanyang Motor Co., Ltd. Director of Taiwan Tea Corp.	14,625,000 1,531,000
Chao-Yao Investment Co., Ltd. Representative: Te-Ching Chang	University of Ottawa	Director of Sanyang Motor Co., Ltd.	14,625,000 0
Chao-Yao Investment Co., Ltd. Representative: Ren-Hao Tien	Cass Business School Investment Management	Director of Sanyang Motor Co., Ltd. Assistant Vice President of Administrative Department of Sanyang Motor Co., Ltd.	14,625,000 17,000

(II) Independent director candidate

Name	Academic degree	Experience / Present	Shareholding (shares)
Chung-Chuan Shih	Master of Law, National Chengchi University	Independent Director of Sanyang Motor Co., Ltd. Certified Public Accountant of Guo Ju CPA Firm Manager of Department of Taxes and Law Service of PwC Legal	0
Chen Chiang	Master of Commerce in the Department of Accounting and Information Technology, National Chung Cheng University	Independent Director of Sanyang Motor Co., Ltd. Attorney-at-law of Chiang Chen Law Firm Adjunct Lecturer and Professional Technician of Department of Accounting and Information Technology National Chung Cheng University Trainer of Office of Continuing Education of Chung Yuan Christian University	0
Chih-Hung Hsieh	Doctor of Juridical Science, National Chengchi University	Independent Director of Sanyang Motor Co., Ltd. Independent Director of Grand Pacific Petrochemical Cop. Independent Director of Yungtay Engineering Co., Ltd. Associate Dean of Academic Affairs, College of Law, Fu Jen Catholic University Member of Commitment for Reviews of Criminal Compensation Requests, Taiwan Hsin District Court Juristic Commentary Editorial Review Committee of Ming Chuan University Chairperson of Department of Law, Fu Jen Catholic University	0
Fu-Wei Chen	Master of Accounting, National Chengchi University	Director of Chuan Chih Ho Shu Accounting Firm Partner Accountant of KPMG	0

Chapter 5 Ratification Items

Proposal No.1

Proposed by the Board of Directors

Proposal: Please ratify 2022 business report and financial statements

Description:

- I. The Company's 2022 financial statements have been prepared and audited by certified public accountants, Chung-Che Chen and Hsin-Ting Huang of KPMG, and submitted to the annual shareholders' meeting in accordance with the law along with the business report, which has been checked by the Audit Committee.
- II. Please refer to Pages 3-15 and Pages 24-35 of the Handbook for the 2022 business report and financial statements.
- III. The proposal is hereby submitted for ratification.

Resolution:

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
SANYANG MOTOR CO., LTD.

Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2022		December 31, 2021		
	Amount	%	Amount	%	
Assets					
Current assets:					
1100	Cash and cash equivalents (Note 6(a))	\$ 2,175,711	5	1,469,419	4
1170	Notes and accounts receivable, net (Notes 6(d) and (u))	912,909	2	1,026,571	3
1180	Accounts receivable from related parties, net (Notes 6(d) ,(u) and 7)	506,701	1	316,340	1
1310	Inventories (for manufacturing business) (Notes 6(e))	4,015,334	10	2,113,817	6
1460	Non-current assets held for sale(Notes 6(f))	97,036	-	-	-
1476	Other current financial assets (Note 6(a) and 8)	54,371	-	142,659	1
1479	Other current assets (Note 7)	171,370	1	86,831	-
		<u>7,933,432</u>	<u>19</u>	<u>5,155,637</u>	<u>15</u>
Non-current assets:					
1517	Non-current financial assets at fair value through other comprehensive income (Note 6(c))	132,037	-	141,484	-
1550	Investments accounted for using the equity method (Notes 6(g), (h), (i) and 7)	25,585,616	62	21,602,535	62
1600	Property, plant and equipment (Notes 6(j), 7 and 8)	4,894,622	12	4,945,448	14
1755	Right-of-use assets (Note 7)	83,261	-	109,123	-
1760	Investment property, net (Notes 6(k) and 8)	2,391,001	6	2,404,562	7
1840	Deferred income tax assets (Note 6(r))	450,607	1	420,425	1
1980	Other non-current financial assets (Note 8 and 9)	103,773	-	267,460	1
1995	Other non-current assets, others	27,433	-	29,823	-
		<u>33,668,350</u>	<u>81</u>	<u>29,920,860</u>	<u>85</u>
Total assets		<u>\$ 41,601,782</u>	<u>100</u>	<u>35,076,497</u>	<u>100</u>

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
SANYANG MOTOR CO., LTD.

Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
Liabilities and Equity					
Current liabilities:					
2100	Short-term borrowings (Note 6(m))	\$ 4,838,567	11	3,420,644	10
2110	Short-term notes and bills payable (Note 6(l))	-	-	299,798	1
2120	Current financial liabilities measured at fair value through profit or loss(Note 6(b))	-	-	2,299	-
2130	Current contract liabilities (Note 6(u))	41,451	-	42,712	-
2170	Accounts payable (Note 6(n))	2,398,944	6	2,155,409	6
2180	Accounts payable to related parties (Notes 6(n) and 7)	510,993	1	586,179	2
2200	Other payables	1,507,851	4	1,392,100	4
2220	Other payables to related parties (Note 7)	158,150	-	154,721	-
2230	Current tax liabilities	295,068	1	188,772	1
2251	Current provisions for employee benefits (Note 6(q))	70,682	-	68,906	-
2252	Short-term provisions for warranties (Note 6(p))	424,851	1	393,224	1
2280	Current lease liabilities (Note 7)	25,928	-	25,505	-
2322	Long-term borrowings, current portion (Note 6(o))	413,333	1	80,000	-
2399	Other current liabilities, others (Note 6(f))	264,978	1	108,575	-
		<u>10,950,796</u>	<u>26</u>	<u>8,918,844</u>	<u>25</u>
Non-current liabilities:					
2540	Long-term borrowings (Note 6(o))	10,106,667	24	8,020,000	23
2570	Deferred income tax liabilities (Note 6(r))	1,401,672	4	1,401,672	4
2580	Non-current lease liabilities (Note 7)	58,644	-	84,572	-
2640	Net defined benefit liability, non-current (Note 6(q))	806,217	2	841,373	3
2645	Guarantee deposits received	351,532	1	348,757	1
2670	Other non-current liabilities, others (Note 9)	92,373	-	49,176	-
		<u>12,817,105</u>	<u>31</u>	<u>10,745,550</u>	<u>31</u>
	Total liabilities	<u>23,767,901</u>	<u>57</u>	<u>19,664,394</u>	<u>56</u>
Equity (Note 6(g) and (s)):					
3100	Share capital	7,974,896	19	7,976,396	23
3200	Capital surplus	1,713,762	4	1,708,432	5
3300	Retained earnings	9,603,610	23	7,182,522	20
3400	Other equity	(1,325,571)	(3)	(1,322,431)	(4)
3500	Treasury shares	(132,816)	-	(132,816)	-
	Total equity	<u>17,833,881</u>	<u>43</u>	<u>15,412,103</u>	<u>44</u>
	Total liabilities and equity	<u>\$ 41,601,782</u>	<u>100</u>	<u>35,076,497</u>	<u>100</u>

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
SANYANG MOTOR CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

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

		2022		2021	
		Amount	%	Amount	%
4000	Operating revenue (Notes 6(u) and 7)	\$ 35,882,517	100	29,876,799	100
5000	Operating costs (Note 6(e) and 7)	31,649,964	88	26,161,020	88
		4,232,553	12	3,715,779	12
5910	Unrealized profit from sales	(27,619)	-	(21,087)	-
	Gross profit from operations	4,204,934	12	3,694,692	12
	Operating expenses (Notes 6(q), (v) and 7):				
6100	Selling expenses	781,585	2	786,503	2
6200	Administrative expenses	800,420	2	678,236	2
6300	Research and development expenses	879,954	3	804,092	3
6450	Expected credit gain (Note 6(d))	(2,742)	-	(8,917)	-
		2,459,217	7	2,259,914	7
	Net operating income	1,745,717	5	1,434,778	5
	Non-operating income and expenses:				
7010	Other income (Notes 6(w) and 7)	81,322	-	73,814	-
7020	Other gains and losses (Note 6(h), (w) and 7)	563,039	2	(41,524)	-
7050	Finance costs (Note 6(w) and 7)	(162,453)	-	(115,570)	-
7070	Share of profit (loss) of subsidiaries, associates and joint ventures accounted for using the equity method (note 6(g))	1,239,605	3	665,767	2
		1,721,513	5	582,487	2
7900	Profit before income tax	3,467,230	10	2,017,265	7
7950	Less: Income tax expenses (Note 6(r))	351,195	1	187,075	1
8200	Profit for the period	3,116,035	9	1,830,190	6
8300	Other comprehensive income (loss):				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Remeasurements of defined benefit plans	(27,469)	-	(104,296)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(9,447)	-	8,333	-
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method, components of other comprehensive income that will not be reclassified to profit or loss	151,715	-	226,656	1
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	5,494	-	20,859	-
	Total of items that may not be reclassified subsequently to profit or loss	120,293	-	151,552	1
8360	Items that may be reclassified subsequently to profit or loss				
8380	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method, components of other comprehensive income that will be reclassified to profit or loss	409,237	1	(39,361)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Total of items that may be reclassified subsequently to profit or loss	409,237	1	(39,361)	-
8300	Other comprehensive income	529,530	1	112,191	1
8500	Comprehensive income	\$ 3,645,565	10	1,942,381	7
	Earnings per share (Note 6(t))				
9750	Basic earnings per share (NT dollars)	\$ 3.93		2.30	
9850	Diluted earnings per share (NT dollars)	\$ 3.93		2.30	

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
SANYANG MOTOR CO., LTD.

Statements of Changes in Equity

For the years ended December 31, 2022 and 2021

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

	Retained earnings					Other equity					Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity	Treasury shares	
Balance at January 1, 2021	\$ 8,030,776	1,730,173	2,485,822	1,573,678	2,524,438	6,583,938	(1,700,999)	259,847	(1,441,152)	(132,816)	14,770,919
Profit for the year	-	-	-	-	1,830,190	1,830,190	-	-	-	-	1,830,190
Other comprehensive income for the year	-	-	-	-	(82,408)	(82,408)	(39,361)	233,960	194,599	-	112,191
Comprehensive income for the year	-	-	-	-	1,747,782	1,747,782	(39,361)	233,960	194,599	-	1,942,381
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	136,185	-	(136,185)	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(130,078)	130,078	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(1,044,001)	(1,044,001)	-	-	-	-	(1,044,001)
Increase in treasury shares	-	-	-	-	-	-	-	-	-	(163,787)	(163,787)
Retirement of treasury shares	(54,380)	(719)	-	-	(108,688)	(108,688)	-	-	-	163,787	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed of	-	1,139	-	-	-	-	-	-	-	-	1,139
Changes in equities of long-term investments	-	(22,161)	-	-	(72,387)	(72,387)	-	-	-	-	(94,548)
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	75,878	75,878	-	(75,878)	(75,878)	-	-
Balance at December 31, 2021	7,976,396	1,708,432	2,622,007	1,443,600	3,116,915	7,182,522	(1,740,360)	417,929	(1,322,431)	(132,816)	15,412,103
Profit for the year	-	-	-	-	3,116,035	3,116,035	-	-	-	-	3,116,035
Other comprehensive income for the year	-	-	-	-	(19,417)	(19,417)	409,237	139,710	548,947	-	529,530
Comprehensive income for the year	-	-	-	-	3,096,618	3,096,618	409,237	139,710	548,947	-	3,645,565
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	164,258	-	(164,258)	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(109,352)	109,352	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(1,036,931)	(1,036,931)	-	-	-	-	(1,036,931)
Increase in treasury shares	-	-	-	-	-	-	-	-	-	(4,351)	(4,351)
Retirement of treasury shares	(1,500)	(20)	-	-	(2,831)	(2,831)	-	-	-	4,351	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed of	-	(239)	-	-	-	-	-	-	-	-	(239)
Changes in equities of long-term investments	-	5,589	-	-	(187,855)	(187,855)	-	-	-	-	(182,266)
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	552,087	552,087	-	(552,087)	(552,087)	-	-
Balance at December 31, 2022	\$ 7,974,896	1,713,762	2,786,265	1,334,248	5,483,097	9,603,610	(1,331,123)	5,552	(1,325,571)	(132,816)	17,833,881

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
SANYANG MOTOR CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2022 and 2021

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

	For the years ended December 31	
	2022	2021
Cash flows from (used in) operating activities:		
Profit before income tax	\$ 3,467,230	2,017,265
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	522,572	576,821
Amortization expense	11,642	23,178
Expected credit gain	(2,742)	(8,917)
Net (gain) loss on financial asset and liabilities measured at fair value through profit or loss	(2,299)	2,299
Interest expense	162,453	115,570
Interest revenue	(8,501)	(2,602)
Dividend revenue	(33,282)	(17,284)
Share of profit of subsidiaries, associates and joint ventures accounted for using the equity method	(1,239,605)	(665,767)
Loss on disposal of property, plant and equipment	53,832	38,998
Loss on disposal of investment properties	-	8
Gain on disposal of Investments accounted for under equity method	(498,877)	-
Realized loss from sales	27,619	21,087
Others	118	902
Total adjustments to reconcile profit (loss)	<u>(1,007,070)</u>	<u>84,293</u>
Changes in operating assets and liabilities:		
Notes and accounts receivable, net	116,404	(172,160)
Accounts receivable from related parties	(190,361)	(128,852)
Inventories	(1,927,665)	(204,079)
Other current assets	(88,414)	50,427
Contract liabilities	(1,261)	10,108
Accounts payable	243,535	(167,186)
Accounts payable to related parties	(75,186)	(1,138)
Provisions for employee benefits	1,776	(10,622)
Other payables (including related parties)	119,115	(177,443)
Short-term provisions for warranties	31,627	(15,632)
Other current liabilities	36,593	(53,883)
Net defined benefit liabilities	(62,625)	(77,305)
Total adjustments	<u>(2,803,532)</u>	<u>(863,472)</u>
Cash inflow generated from operations	663,698	1,153,793
Interest received	8,025	2,574
Interest paid	(162,186)	(115,082)
Income taxes paid	(265,238)	(233,048)
Net cash flows from operating activities	<u>244,299</u>	<u>808,237</u>

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
SANYANG MOTOR CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2022 and 2021

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

	For the years ended December 31	
	2022	2021
Cash flows from (used in) investing activities:		
Acquisition of investments accounted for using the equity method	(2,144,086)	(150,000)
Acquisition of property, plant and equipment	(470,692)	(479,291)
Proceeds from disposal of property, plant and equipment	11,802	22,424
Increase in receipts in advance due to disposal of assets	135,389	-
Acquisition of investment properties	(98,271)	(63,560)
Other current financial assets	88,288	26,952
Other non-current financial assets	163,687	115,001
Other non-current assets	(9,252)	(13,778)
Dividends received	311,217	47,461
Net cash flows used in investing activities	(2,011,918)	(494,791)
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	37,235,326	41,126,446
Decrease in short-term borrowings	(35,817,403)	(43,072,555)
Decrease in short-term notes and bills payable	(300,000)	(202)
Proceeds from long-term borrowings	9,800,000	5,200,000
Repayments of long-term borrowings	(7,380,000)	(2,300,000)
Increase in guarantee deposits received	2,775	59,278
Payments of lease liabilities	(25,505)	(25,090)
Cash dividends paid	(1,036,931)	(1,044,001)
Cost of increase in treasury shares	(4,351)	(163,787)
Net cash flows from (used in) financing activities	2,473,911	(219,911)
Net increase in cash and cash equivalents	706,292	93,535
Cash and cash equivalents at beginning of period	1,469,419	1,375,884
Cash and cash equivalents at end of period	\$ 2,175,711	1,469,419

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)
SANYANG MOTOR CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
Current assets:					
1100	Cash and cash equivalents (Note 6(a))	\$ 7,867,822	14	4,829,905	10
1170	Notes and accounts receivable, net (Notes 6(d), (z) and 8)	2,737,441	5	2,462,934	5
1180	Notes and accounts receivable from related parties, net (Notes 6(d),(z) and 7)	591	-	627	-
1200	Other receivables (Notes 6(d) and 7)	859,783	2	565,970	1
1310	Inventories (for manufacturing business) (Note 6(e))	7,572,290	13	4,838,867	11
1320	Inventories (for construction business) (Notes 6(e) and 7)	2,291,274	4	2,036,118	5
1410	Prepayments	805,448	1	751,300	2
1460	Non-current assets held for sale (Note 6(f))	97,036	-	-	-
1476	Other current financial assets (Notes 6(a), 8 and 9)	6,467,492	11	6,614,491	14
1479	Other current assets, others	42,055	-	21,865	-
		<u>28,741,232</u>	<u>50</u>	<u>22,122,077</u>	<u>48</u>
Non-current assets:					
1510	Non-current financial assets at fair value through profit or loss (Note 6(b))	15,459	-	15,459	-
1517	Non-current financial assets at fair value through other comprehensive income (Note 6(c))	857,766	1	3,827,893	8
1550	Investments accounted for using the equity method (Notes 6(g) and 7)	4,643,509	8	733,112	2
1600	Property, plant and equipment (Notes 6(k), 7 and 8)	13,800,765	24	12,639,469	27
1755	Right-of-use assets (Notes 6(l) and 8)	881,840	2	768,218	2
1760	Investment property, net (Notes 6(m) and 8)	3,731,020	7	3,856,111	8
1780	Intangible assets (Note 6(n))	1,040,230	2	-	-
1840	Deferred income tax assets (Note 6(w))	577,767	1	528,791	1
1935	Long-term lease receivables (Notes 6(d), (z) and 8)	536,517	1	465,016	1
1975	Net defined benefit asset, non-current (Note 6(v))	1,088	-	-	-
1980	Other non-current financial assets (Notes 6(a) and 8)	2,101,008	4	1,422,164	3
1995	Other non-current assets, others	149,073	-	152,908	-
		<u>28,336,042</u>	<u>50</u>	<u>24,409,141</u>	<u>52</u>
Total assets		\$ <u>57,077,274</u>	<u>100</u>	<u>46,531,218</u>	<u>100</u>

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
SANYANG MOTOR CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
Liabilities and equity					
Current liabilities:					
2100	Short-term borrowings (Note 6(p))	\$ 9,175,249	16	6,868,444	15
2111	Short-term notes and bills payable (Note 6(o))	846,448	2	851,949	2
2120	Current financial liabilities at fair value through profit or loss (Note 6(b))	-	-	2,299	-
2130	Current contract liabilities (Note 6(z))	540,482	1	439,329	1
2170	Accounts payable (Note 6(q))	4,413,722	8	4,152,343	9
2180	Accounts payable to related parties (Notes 6(q) and 7)	181,236	-	179,094	-
2200	Other payables (Note 7)	2,966,709	5	2,547,702	6
2230	Current tax liabilities (Note 6(w))	456,569	1	304,652	1
2251	Current provisions for employee benefits (Note 6(v))	117,049	-	110,283	-
2252	Short-term provisions for warranties (Note 6(t))	436,975	1	405,292	1
2280	Current lease liabilities (Note 6(s))	137,028	-	126,197	-
2322	Long-term borrowings, current portion (Note 6(r))	820,030	2	460,373	1
2365	Current refund liabilities	232,239	-	192,265	-
2399	Other current liabilities, others (Note 6(f))	164,341	-	13,361	-
		<u>20,488,077</u>	<u>36</u>	<u>16,653,583</u>	<u>36</u>
Non-current liabilities:					
2540	Long-term borrowings (Note 6(r))	12,224,867	21	9,171,524	20
2552	Non-current provisions (Note 6(t))	225,762	-	174,996	-
2570	Deferred income tax liabilities	1,530,736	3	1,506,396	3
2580	Non-current lease liabilities (Note 6(s))	644,744	1	528,626	1
2640	Net defined benefit liability, non-current (Note 6(v))	810,552	2	851,027	2
2645	Guarantee deposits received	831,101	2	770,260	2
2670	Other non-current liabilities, others (Note 9)	78,947	-	55,104	-
		<u>16,346,709</u>	<u>29</u>	<u>13,057,933</u>	<u>28</u>
Total liabilities		<u>36,834,786</u>	<u>65</u>	<u>29,711,516</u>	<u>64</u>
Equity attributable to owners of parent (Note 6(x)):					
3100	Share capital	7,974,896	14	7,976,396	17
3200	Capital surplus	1,713,762	3	1,708,432	4
3300	Retained earnings	9,603,610	16	7,182,522	15
3400	Other equity	(1,325,571)	(2)	(1,322,431)	(3)
3500	Treasury shares	(132,816)	-	(132,816)	-
		<u>17,833,881</u>	<u>31</u>	<u>15,412,103</u>	<u>33</u>
36XX	Non-controlling interests	2,408,607	4	1,407,599	3
Total equity		<u>20,242,488</u>	<u>35</u>	<u>16,819,702</u>	<u>36</u>
Total liabilities and equity		<u>57,077,274</u>	<u>100</u>	<u>46,531,218</u>	<u>100</u>

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
SANYANG MOTOR CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

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

		2022		2021	
		Amount	%	Amount	%
4000	Operating revenue (Notes 6(z) and 7)	\$ 50,850,618	100	41,617,351	100
5000	Operating costs (Notes 6(e), (v) and 7))	41,132,408	81	33,684,513	81
	Gross profit from operations	<u>9,718,210</u>	<u>19</u>	<u>7,932,838</u>	<u>19</u>
	Operating expenses (Notes 6(d), (v), (aa) and 7):				
6100	Selling expenses	3,475,639	7	3,189,297	8
6200	Administrative expenses	1,582,063	3	1,422,515	3
6300	Research and development expenses	1,217,714	2	1,115,518	3
6450	Expected credit (gain) loss	26,050	-	(17,103)	-
		<u>6,301,466</u>	<u>12</u>	<u>5,710,227</u>	<u>14</u>
	Net operating income	<u>3,416,744</u>	<u>7</u>	<u>2,222,611</u>	<u>5</u>
	Non-operating income and expenses:				
7100	Interest income (Notes 6(ab) and 7)	289,733	1	202,913	1
7010	Other income (Notes 6(g) and (ab))	426,204	1	89,490	-
7020	Other gains and losses (Notes 6(h) and (ab))	819,720	1	41,112	-
7050	Finance costs (Note 6(ab))	(278,585)	(1)	(196,492)	-
7060	Share of profit (loss) of associates and joint ventures accounted for using the equity method (Note 6(g))	(623,830)	(1)	(18,331)	-
		<u>633,242</u>	<u>1</u>	<u>118,692</u>	<u>1</u>
7900	Profit before income tax	<u>4,049,986</u>	<u>8</u>	<u>2,341,303</u>	<u>6</u>
7950	Less: Income tax expenses (Note 6(w))	610,045	1	376,585	1
	Profit for the period	<u>3,439,941</u>	<u>7</u>	<u>1,964,718</u>	<u>5</u>
8300	Other comprehensive income (loss) (Notes 6(g) and (x)):				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Remeasurements of defined benefit plans	(24,126)	-	(103,783)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	158,801	-	220,847	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(14,912)	-	-	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	5,494	-	20,859	-
		<u>125,257</u>	<u>-</u>	<u>137,923</u>	<u>-</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	457,723	1	(37,786)	-
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	126	-	(112)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
		<u>457,849</u>	<u>1</u>	<u>(37,898)</u>	<u>-</u>
8300	Other comprehensive income (after tax)	<u>583,106</u>	<u>1</u>	<u>100,025</u>	<u>-</u>
8500	Comprehensive income	<u>\$ 4,023,047</u>	<u>8</u>	<u>2,064,743</u>	<u>5</u>
	Profit attributable to:				
8610	Owners of parent	\$ 3,116,035	6	1,830,190	5
8620	Non-controlling interests	323,906	1	134,528	-
		<u>\$ 3,439,941</u>	<u>7</u>	<u>1,964,718</u>	<u>5</u>
	Comprehensive income attributable to:				
8710	Owners of parent	\$ 3,645,565	7	1,942,381	5
8720	Non-controlling interests	377,482	1	122,362	-
		<u>\$ 4,023,047</u>	<u>8</u>	<u>2,064,743</u>	<u>5</u>
	Earnings per share (Note 6(y))				
9750	Basic earnings per share (NT dollars)	<u>\$ 3.93</u>		<u>2.30</u>	
9850	Diluted earnings per share (NT dollars)	<u>\$ 3.93</u>		<u>2.30</u>	

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
SANYANG MOTOR CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the years ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent						Other equity			Total equity attributable to owners of parent	Non-controlling interests	Total equity	
	Retained earnings						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	Exchange differences on translation of foreign financial statements	Total other equity	Treasury shares				
Balance at January 1, 2021	\$ 8,030,776	1,730,173	2,485,822	1,573,678	2,524,438	6,583,938	(1,700,999)	259,847	(1,441,152)	(132,816)	14,770,919	1,295,870	16,066,789
Profit for the year	-	-	-	-	1,830,190	1,830,190	-	-	-	-	1,830,190	134,528	1,964,718
Other comprehensive income for the year	-	-	-	-	(82,408)	(82,408)	(39,361)	233,960	194,599	-	112,191	(12,166)	100,025
Comprehensive income for the year	-	-	-	-	1,747,782	1,747,782	(39,361)	233,960	194,599	-	1,942,381	122,362	2,064,743
Appropriation and distribution of retained earnings:													
Legal reserve	-	-	136,185	-	(136,185)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	(130,078)	130,078	-	-	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(1,044,001)	(1,044,001)	-	-	-	-	(1,044,001)	-	(1,044,001)
Increase in treasury shares	-	-	-	-	-	-	-	-	-	(163,787)	(163,787)	-	(163,787)
Retirement of treasury shares	(54,380)	(719)	-	-	(108,688)	(108,688)	-	-	-	163,787	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed of	-	1,139	-	-	-	-	-	-	-	-	1,139	(7,958)	(6,819)
Changes in equity of associates and joint ventures accounted for using the equity method	-	(22,161)	-	-	(72,387)	(72,387)	-	-	-	-	(94,548)	-	(94,548)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(2,675)	(2,675)
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	75,878	75,878	-	(75,878)	(75,878)	-	-	-	-
Balance at December 31, 2021	7,976,396	1,708,432	2,622,007	1,443,600	3,116,915	7,182,522	(1,740,360)	417,929	(1,322,431)	(132,816)	15,412,103	1,407,599	16,819,702
Profit for the year	-	-	-	-	3,116,035	3,116,035	-	-	-	-	3,116,035	323,906	3,439,941
Other comprehensive income for the year	-	-	-	-	(19,417)	(19,417)	409,237	139,710	548,947	-	529,530	53,576	583,106
Comprehensive income for the year	-	-	-	-	3,096,618	3,096,618	409,237	139,710	548,947	-	3,645,565	377,482	4,023,047
Appropriation and distribution of retained earnings:													
Legal reserve	-	-	164,258	-	(164,258)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	(109,352)	109,352	-	-	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(1,036,931)	(1,036,931)	-	-	-	-	(1,036,931)	-	(1,036,931)
Increase in treasury shares	-	-	-	-	-	-	-	-	-	(4,351)	(4,351)	-	(4,351)
Retirement of treasury shares	(1,500)	(20)	-	-	(2,831)	(2,831)	-	-	-	4,351	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed of	-	(239)	-	-	-	-	-	-	-	-	(239)	(3,847)	(4,086)
Changes in equity of associates and joint ventures accounted for using the equity method	-	5,589	-	-	(187,855)	(187,855)	-	-	-	-	(182,266)	27	(182,239)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	627,346	627,346
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	552,087	552,087	-	(552,087)	(552,087)	-	-	-	-
Balance at December 31, 2022	\$ 7,974,896	1,713,762	2,786,265	1,334,248	5,483,097	9,603,610	(1,331,123)	5,552	(1,325,571)	(132,816)	17,833,881	2,408,607	20,242,488

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
SANYANG MOTOR CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows
For the years ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31	
	2022	2021
Cash flows from (used in) operating activities:		
Profit before income tax	\$ 4,049,986	2,341,303
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	1,356,666	1,383,638
Amortization expense	23,314	29,772
Expected credit (gain) loss	26,050	(17,103)
Net gain on financial assets or liabilities at fair value through profit or loss	(2,299)	(374)
Interest expense	278,585	196,492
Interest revenue	(289,733)	(202,913)
Dividend revenue	(47,254)	(56,132)
Share of loss of associates and joint ventures accounted for using the equity method	623,830	18,331
Loss on disposal of property, plant and equipment	51,167	33,797
Loss on disposal of investment properties	-	8
Gain on disposal of investments accounted for using equity method	(498,877)	-
Impairment loss on non-financial assets	24,404	12,567
Gain recognised in bargain purchase transaction	(344,994)	-
Others	(6,680)	(8,888)
Total adjustments to reconcile profit	<u>1,194,179</u>	<u>1,389,195</u>
Changes in operating assets and liabilities:		
Financial assets at fair value through profit or loss, mandatorily measured at fair value	-	22,279
Notes and accounts receivable, net	(252,422)	(327,305)
Accounts receivable from related parties	36	(276)
Other receivables	(258,509)	(46,288)
Inventories	(3,002,669)	(1,383,896)
Prepayments	(19,875)	(90,882)
Other current assets	(5,904)	136
Net defined benefit assets	(1,088)	931
Contract liabilities	94,364	145,912
Accounts payable	231,334	273,180
Accounts payable to related parties	2,142	(47,915)
Other payables	395,792	(244,424)
Provisions	81,802	(33,852)
Other current liabilities	69,520	(53,627)
Net defined benefit liabilities	(59,107)	(73,195)
Provisions for employee benefits	4,760	(9,122)
Other operating liabilities	11,310	4,692
Total adjustments	<u>(1,514,335)</u>	<u>(474,457)</u>
Cash inflow generated from operations	2,535,651	1,866,846
Interest received	272,749	173,383
Interest paid	(277,688)	(195,832)
Income taxes paid	<u>(496,883)</u>	<u>(399,785)</u>
Net cash flows from operating activities	<u>2,033,829</u>	<u>1,444,612</u>

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
SANYANG MOTOR CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows
For the years ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31	
	2022	2021
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(230,410)	(255,639)
Proceeds from disposal of financial assets at fair value through other comprehensive income	236,989	451,152
Acquisition of investments accounted for using the equity method	(1,774,583)	(150,000)
Acquisition of property, plant and equipment	(2,278,212)	(1,259,712)
Proceeds from disposal of property, plant and equipment	128,021	257,519
Increase in receipts in advance due to disposal of assets	135,389	-
Net cash flow from acquisition of subsidiaries	470,900	-
Increase in other receivables	(264,660)	(304,220)
Decrease in other receivables	264,660	125,130
Acquisition of investment properties	(3,914)	-
Increase in long-term lease receivables	(71,501)	(31,599)
Decrease (increase) in other current financial assets	433,919	(422,869)
Increase in other non-current financial assets	(669,162)	(401,866)
Increase in other non-current assets	(15,390)	(13,652)
Dividends received	56,725	65,152
Net cash flows used in investing activities	<u>(3,581,229)</u>	<u>(1,940,604)</u>
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	65,460,778	65,708,592
Decrease in short-term borrowings	(63,242,893)	(67,576,432)
Increase (decrease) in short-term notes and bills payable	(13,387)	130,867
Proceeds from long-term borrowings	14,816,019	6,836,675
Repayments of long-term borrowings	(11,403,019)	(3,409,874)
Increase in guarantee deposits received	60,841	106,277
Payments of lease liabilities	(126,574)	(123,820)
Cash dividends paid	(1,036,931)	(1,044,001)
Cost of increase in treasury shares	(4,351)	(163,787)
Acquisition of subsidiaries	(4,086)	(6,819)
Changes in non-controlling interests	(5,741)	(2,675)
Net cash flows from financing activities	<u>4,500,656</u>	<u>455,003</u>
Effect of exchange rate changes on cash and cash equivalents	<u>84,661</u>	<u>9,782</u>
Net increase (decrease) in cash and cash equivalents	<u>3,037,917</u>	<u>(31,207)</u>
Cash and cash equivalents at beginning of period	<u>4,829,905</u>	<u>4,861,112</u>
Cash and cash equivalents at end of period	<u><u>\$ 7,867,822</u></u>	<u><u>4,829,905</u></u>

Proposal No. 2

Proposed by the Board of Directors

Proposal: Please ratify the proposal for the 2022 Earnings Distribution

Description:

- I. The profit for the period of the Company in 2022 was NT\$ 3,116,035,574, and the distributable earnings were NT\$ 5,141,714,349.
- II. According to Article 32 of the Articles of Incorporation, a proposal for earnings distribution in 2022 is planned to be prepared. The cash dividend per share is NT\$ 1.8. Please see next page for the 2022 Earnings Distribution.
- III. For the earnings distribution proposal, in case of a change in number of the outstanding shares due to the Company's repurchase of shares, it is proposed that the Chairman be authorized by general shareholders' meeting to adjust the ratio of dividends to be distributed to shareholders based on the total amount of cash dividends approved by the 2023 Annual Shareholders' Meeting and the number of actual outstanding shares outstanding on the base date of dividends distribution.
- IV. The cash dividend is rounded off to the nearest NT Dollar, with the decimal places removed. The total rounded off amounts, are accounted as other income in the Company's financial statements.
- V. The proposal is hereby submitted for ratification.

Resolution:

Sanyang Motor Co., Ltd.

2022 Earnings Distribution

Currency Unit: NT\$

Summary	Amount
Beginning balance of retained earnings	2,025,077,549
Plus (minus):	
Retained earnings offset due from retired treasury stocks	(2,831,097)
Changes in actuarial gains and losses for the current period	(19,417,003)
Disposal of investments in equity instruments at fair value through other comprehensive income	552,087,311
Changes in associates accounted for using the equity method	(187,854,841)
Reversal of special reserve arising from reduction of other shareholder's equity. (Note 1)	6,651,514
Net after-tax profit for the year	3,116,035,574
	5,489,749,007
Appropriated items:	
Legal reserve (10%)	(345,801,994)
Special reserve (Note 1)	(2,232,664)
Retained earnings available for distribution	5,141,714,349
Distribution item:	
Cash dividend NT\$ 1.8/share (Note 2)	1,435,481,287
Unappropriated retained earning	3,706,233,062

Note 1: Pursuant to the provisions of the FSC Decree No. 1090150022 issued by the Financial Supervisory Commission on March 31, 2021, the special surplus reserve accrued in the same amount as the difference between the market price of the parent company's shares held by the subsidiary and the face value of the shares at the end of period and based on the shareholding ratio shall not be distributed, and after the market price recovered later, the Company reversed the special surplus reserve of NT\$6,651,514 based on the shareholding ratio. Besides, the Company accrued the special surplus reserve of NT\$2,232,664 in the same amount after the net other equity deductibles in the period, and the after-tax net profit was added the items other than the after-tax net profit for the period and the retained earnings for the period.

Note 2: The actual ex-dividend ratio per share shall be adjusted in accordance with the actual number of outstanding shares on the ex-dividend date.

Note 3: According to board resolution, the earnings of the first half of 2022 were not distributed by board resolution on November 10, 2022.

Chairman:
Ching-Yuan Wu

Manager:
Ching-Yuan Wu

Accounting supervisor:
Kuei-Chin Huang

Chapter 6 Discussion Items

Proposal No. 1

Proposed by the Board of Directors

Proposal: Please discuss Amendments to the Company's "Articles of Incorporation".

Description:

- I. Pursuant to the letter of the Ministry of Economic Affairs No. 11101132480 dated July 27, 2022 and Paragraph 3, Article 228-1 of the Company Act, certain articles of the Company's "Articles of Incorporation" are proposed to be amended.
- II. Comparison Table for the Articles of Incorporation Before and After Revision is as follows:

Amended Provisions		Original Provisions		Description
Article 32	<p>(Omitted)</p> <p>The Company, while distributing dividends as per the preceding provision, shall estimate and retain payable taxes and cover deficit and extract surplus reserve as per laws; extract or reserve special surplus reserve as per laws. For any earnings, the balance and accumulative undistributed earnings at the beginning of period shall be the distributable earnings. However, if such legal reserve amounts total to the total authorized capital, <u>this provision shall not apply.</u></p> <p>(The following is omitted.)</p>	Article 32	<p>(Omitted)</p> <p>The Company, while distributing dividends as per the preceding provision, shall estimate and retain payable taxes and cover deficit and extract surplus reserve as per laws; extract or reserve special surplus reserve as per laws. For any earnings, the balance and accumulative undistributed earnings at the beginning of period shall be the distributable earnings. However, if such legal reserve amounts total to the total authorized capital, this provision shall not apply.</p> <p>(The following is omitted.)</p>	Pursuant to the letter of the Ministry of Economic Affairs No. 11101132480 dated July 27, 2022 and Paragraph 3, Article 228-1 of the Company Act, it is a wording amendment.
Article 35	<p>The Articles of Incorporation were erected on Jul. 17, 1961; the 1st amendment...; the 46th amendment took place on Jun. 23, 2022; <u>the 47th amendment took place on Jun. 28, 2023.</u></p>	Article 35	<p>The Articles of Incorporation were erected on Jul. 17, 1961; the 1st amendment...; the 46th amendment took place on Jun. 23, 2022.</p>	Amended date

III. The proposal is hereby submitted to for resolution.

Resolution:

Proposal No. 2**Proposed by the Board of Directors**

Proposal: Please discuss Approval the lifting of non-competition restrictions for 27th directors and its authorized representative of the Company

Description:

- I. In order for the Board of Directors to expand business in the interest of the Company, in accordance with Article 209 of the Company Act, the Company seeks to lift the non-compete restriction for the members of the Board of Directors and their representatives.
- II. Lifting the non-compete restriction for the twenty-seven term Board of Directors is on page 41-42 of this handbook.
- III. The proposal is hereby submitted to for resolution.

Resolution:

Releasing the 27th term Board of Directors from non-competition for the following:

Directors	Positions held at other companies
Ching-Yuan Wu	Chairperson of Taiwan Tea Corp. Chairperson of Xiamen Xiaxing Motorcycle Co., Ltd. Chairperson of Nanyang Industries Co., Ltd. Director of APh Corporation Director of APh ePower Co., Ltd. Chairperson of Ching Ta Investment Co., Ltd. Director of Ching Chao Investment Co., Ltd. Director of Nova Design (Shanghai) Ltd. Director of Jiu Ding Development & Construction Co., Ltd.
Chien-Jin Investment Co., Ltd. Representative: Li-Chu Wu	Vice Chairperson of Nanyang Industries Co., Ltd. Chairperson of Nanyang Insurance Agent Co., Ltd. Director of Xiamen Xiaxing Motorcycle Co., Ltd. Director of Vietnam Jung Chang Technology Co., Ltd. Non-executive Director of Vietnam Manufacturing and Export Processing (Holdings) Ltd. Chairperson of Liyang Industrial Co., Ltd. Director of Nanyang Holding Co., Ltd. Chairperson of SHI MENG Construction Co., Ltd. Director of San Hsin Development Consultants CO., LTD.
Chien-Jin Investment Co.,Ltd. Representative: Yi-Cheng Wu	Director of Nanyang Industries Co., Ltd. Director of Nova Design (Shanghai) Ltd.
Chao-Yao Investment Co., Ltd. Representative: Yu-Chang Huang	Director of Taiwan Tea Corp.

Directors	Positions held at other companies
<p>Chao-Yao Investment Co., Ltd. Representative: Ren-Hao Tien</p>	<p>Chairperson of Chang Zhou Nan Yang Motor Sales and Service Ltd. Chairperson of Three Brothers Machinery Industrial Co., Ltd. Chairperson of VIETNAM THREE BROTHERS INDUSTRIAL Ltd. Director of Nanyang Industries Co., Ltd. Director of Jung Chang INDUSTRIAL CO., LTD. Director of Wei Le MOTOR CO., LTD.</p>
<p>Independent Director Chih-Hung Hsieh</p>	<p>Independent Director of Grand Pacific Petrochemical Cop.</p>

Chapter 7 Extemporany Motions

Chapter 8 Adjournment

Annex I Articles of Incorporation of Sanyang Motor Co., Ltd.

Chapter 1 General Provisions

Article 1 The Company is incorporated in accordance with the provisions relating to companies limited by shares of the Company Act. The Company is named Sanyang Motor Co., Ltd.

Article 2 The Company's business scope is as follows:

- I. CB01010 Mechanical Equipment Manufacturing
- II. CC01100 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing
- III. CD01030 Motor Vehicles and Parts Manufacturing
- IV. CD01040 Motorcycles and Parts Manufacturing
- V. CD01050 Bicycles and Parts Manufacturing
- VI. CD01990 Other Transport Equipment and Parts Manufacturing
- VII. CQ01010 Mold and Die Manufacturing
- VIII. E701030 Controlled Telecommunications Radio-Frequency Devices Installation Engineering
- IX. F112040 Wholesale of Petroleum Products
- X. F114010 Wholesale of Motor Vehicles
- XI. F114020 Wholesale of Motorcycles
- XII. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories
- XIII. F114040 Wholesale of Bicycle and Component Parts Thereof
- XIV. F114990 Wholesale of Other Traffic Means of Transport and Component Parts Thereof
- XV. F206030 Retail Sale of Molds
- XVI. F212050 Retail Sale of Petroleum Products
- XVII. F214010 Retail Sale of Motor Vehicles
- XVIII. F214020 Retail Sale of Motorcycles
- XIX. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories
- XX. F214040 Retail Sale of Bicycle and Component Parts Thereof
- XXI. F401010 International Trade
- XXII. F401021 Restrained Telecom Radio Frequency Equipment and Materials Import
- XXIII. I199990 Other Consulting Service
- XXIV. J101050 Environmental Testing Services

- XXV. J303010 Magazine(Periodical) Publishing
- XXVI. J304010 Book Publishing
- XXVII. JA01010 Automobile Repair
- XXVIII. JA02020 Motorcycle Repair
- XXIX. JA02030 Bicycle Repair
- XXX. JZ99990 Unclassified Other Services
- XXXI. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval

Article 3 The Company shall have its head office in Hsinchu County, R.O.C., and pursuant to a resolution adopted at the meeting of the Board of Directors, may set up, change or abolish a branch, factory, branch factory or business office within or outside the territory of R.O.C., where deemed necessary.

For the Company's reinvestment both at home and abroad, the total amount reinvested shall exceed the 40% of the Company's paid-in share capital.

Article 3-1 (Delete)

Article 4 The Company's announcement shall be published in newspaper or e-news or on website established or designated by central competent authority, unless otherwise specified by securities competent authority.

Article 5 The Company may make guarantee for relevant parties according to business needs.

Chapter 2 Shareholding

Article 6 The Company's total capital amount is NT\$ 9,500,000,000, contained in 950,000,000 shares (face value per share: NT\$ 10) which will be issued in in separate installments. The large-denomination securities should be combined and issued as requested by Taiwan Depository & Clearing Corporation (TDCC).

Article 7 The Company's shares shall be registered and signed or sealed by Chairman of the Board of Directors; it will be issued upon the verification according to laws. In addition, for shares issued by the Company, the stocks shall not be printed according to provisions of relevant laws; the shares issued by logging in securities centralized custody agency shall be handled in accordance with provisions of the agency.

Article 8 The Company's shareholders shall report their domicile or dwelling place to the Company and fill out and send signature card to the Company for reference. All dividends and bonuses obtained or the written contact with the Company shall be subject to this seal; the same applies when it is changed.

Article 9 All transfer of stocks, pledge of rights, loss, succession, gift, loss of seal, amendment of the seal, change of address or similar stock transaction conducted by shareholders of the Company shall follow the "Regulations for the Treatment of the

Public Offered Corporate Shares”, unless otherwise specified by law and securities regulations.

Article 9-1 If the Company has previously entrusted the stock affairs agency to handle the change of its own stock affairs, it shall be handed with the attendance of more than half of the shareholders representing the total number of shares issued and with the consent of two-thirds of the voting rights of the attending shareholder, in accordance with the internal control system standard of the stock affairs organization of Taiwan Depository & Clearing Corporation. This provision shall also apply to those who have applied for self-establishment of stock affairs before the amendment of this provision.

Article 10 Registration for the transfer of shares shall be completed within sixty days before the date of annual general shareholders’ meeting, thirty days before the date of special shareholders’ meeting, or five days before the date on which dividends, bonus, or any other distributions will be paid or made by the Company. The period of the preceding paragraph shall be counted from the date of the meeting or the base date.

Chapter 3 Shareholder's Meeting

Article 11 Shareholders’ meeting is divided into general and special ones. General shareholders’ meeting shall be convened on a yearly basis. General shareholders’ meeting is held within six months after the end of each fiscal year by the Board of Directors, and special meeting will be convened as per laws, where necessary.

Article 12 A notice to convene a general shareholders’ meeting shall be given to each shareholder no later than 30 days prior to the scheduled meeting date, and a notice of the date, place and reasons to convene a special shareholders’ meeting shall be given to each shareholder no later than 15 days prior to the scheduled meeting date.

Article 12-1 The shareholders’ meeting of the Company may be convened by way of video conference or other manners announced by the competent authority.

Article 13 Except as otherwise provided by the Company Act, the shareholders’ meeting shall be held by shareholders of a majority of the total issued and outstanding shares of the Company and the resolution shall be adopted upon the approval of a majority of the voting shares present at the meeting.

Article 14 All shareholders are entitled to one vote for every share held, except for the circumstances stipulated in Article 179 of the Company Act and special stocks of the Company.

Article 15 If a shareholder cannot attend a Shareholders' Meeting for any reason, he/she may designate a proxy to attend by submitting a power of attorney that records the scope of authorization. The measures shall be subject to the Company Act as well as the “Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings

of Public Companies”.

Article 16 Where a shareholders’ meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman. If the meeting is convened by a person with the authority to convene other than the Board of Directors, such person shall act as the chairperson at that meeting; if there are more than one person with the authority to convene, the chairperson for the meeting shall be appointed from among them. Unless otherwise prescribed by relevant laws and ordinances or the Company's Articles of Incorporation, the Company shall duly convene the Shareholders' Meeting exactly in accordance with rules of procedure of shareholders’ meeting.

Article 17 (Delete)

Chapter 4 Board of Directors

Article 18 The Company will establish a Board of Directors that consists of seven to eleven directors. Each director will serve an office term of three years. Directors will be elected among competent candidates at the shareholders' meeting and can be re-elected subsequently.

The total number of shares held by the directors is determined in accordance with the standards stipulated in the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies” promulgated by the competent authority in charge of the securities industry.

The election of directors is subject to the candidate nomination system of Item 1, Article 192 of the Company Act.

Article 18-1 Since the 25th Board of Directors, the Company has designated at least three Independent Directors. The number of Independent Directors shall not be less than one-third of the aforesaid number of Directors.

Article 18-2 The Company has set up the Audit Committee since the 25th session Board of Directors, which shall consist of the entire Independent Directors. The Audit Committee and its members shall be responsible for performing Supervisors' duties under the Company Act, the Securities and Exchange Act, and other applicable regulations. Regulations in the Articles of Incorporation with regards to Supervisors shall cease to apply upon the Company's establishment of the Audit Committee.

Article 19 Directors shall organize board meeting, which shall be attended by more than 2/3 Directors, and more than half of the participants agree to elect three standing Directors from each other, who shall elect one Chairman and one Vice Chairman respectively in the same manner. The Chairman is the Chairperson of Board of Shareholders, Board of Directors and Executive Board of Directors and manages all external affairs on behalf of the Company. If the Chairman takes a leave of absence or is unable to exercise his functions and powers for some reason, the Vice

Chairman shall act as his agent; if, however, Chairman fails to designate his agent, the managing directors shall appoint one Managing Director to act as the agent.

Article 20 The Company's business policy and other material issues shall be determined by the Board of Directors. Shareholders' meeting shall be convened and chaired by Chairman. If the meeting is convened by a person with the authority to convene other than the Board of Directors, such person shall act as the Chairperson at that meeting; if there are more than one person with the authority to convene, the chairperson for the meeting shall be appointed from among them.

The convening notice of board meeting shall be produced and distributed in electronic form.

Article 21 Except as otherwise provided by the Company Act, resolutions of the Board of Directors shall be adopted by at least a majority of the Directors present at a meeting attended by at least a majority of the Directors holding office.

Article 22 Directors shall personally attend board meetings. However, if a Director is unable to attend a board meeting, he/she may appoint another Director to serve as proxy to attend the meeting by submitting a proxy form specifying the scope of delegation. However, a Director may only serve as a proxy for one other Director. If participation by means of video conferencing is made available at a meeting, Directors who participate in the meeting by such means shall be deemed to have attended such meeting in person.

Article 23 For each Shareholder's Meeting, minutes must be drawn up that include the year, month, day, venue of the meeting, chairman's name and resolution method and matter. The meeting chairman must affix his/her signature or seal to the minutes, which must be sent to all Directors within twenty days from the meeting.

The meeting minutes shall be retained for as long as the Company is in existence.

Article 24 Remuneration paid to the Chairman, Directors and Supervisors shall be determined by the Board of Directors based on the degree of their participation in and contributions to the business operations of the Company, as well as industry standards at home and abroad.

Chapter 5 Supervisor

Article 25 The Company designates two Supervisors, who take office for three years. The Supervisors are elected from those with capacity for act and can be reelected upon the expiration of office term. The total sum of all registered shares held by all Directors and Supervisors shall not be less than that as specified in "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies" from the regulatory authority.

Article 26 Supervisors shall supervise the execution of business operations of the company, and may at any time or from time to time investigate the business and financial

conditions of the company, inspect the accounting books and documents, and request the Board of Directors or managerial personnel to make reports thereon.

Article 27 For various statements of board of shareholders prepared and submitted by the Board of Directors, the Supervisors shall check the book investigation report opinion and submit it to shareholders' meeting.

Article 28 The supervisors can attend board meeting without voting rights.

Article 29 The remuneration provision applies to the Supervisors.

Chapter 6 Managers

Article 30 The Company designates general manager, vice general manager and assistant manager according to business needs, who shall handle all the Company's affairs in accordance with Chairman's instruction and board resolution. The appointment, dismissal and remuneration of aforesaid personnel shall be governed by Article 29 of the Company Act.

Chapter 7 Finance

Article 31 The Company's accounting period begins from January 1 and ends on December 31 each year. Upon closing of each fiscal year, the Board of Directors shall prepare the following documents and shall forward the same to the Supervisors for review no later than thirty days prior to the date of the annual general shareholders' meeting:

I. Business Report

II. Financial Statements

III. Proposals for Earnings Distribution or Deficit Coverage.

Article 31-1 If the Company has earnings, it shall set aside more than 1% of pre-tax interests for employees' remuneration and 1% or below remuneration to Directors. When there are accumulated losses, the Company shall retain the covered amount in advance. Independent Director shall not participate in the preceding remuneration distribution.

Article 32 For any earnings in the annual account, the Company shall extract and pay taxes and cover the accumulative deficit for the previous year first as per laws; next, extract the 10% statutory surplus reserve and calculate the accumulative undistributed earnings after adding the undistributed earnings at the beginning of period; then, extract or reserve special surplus reserve as per laws, which shall serve as the distributable earnings of current year. Board of Directors shall prepare the earning distribution scheme and submit it to Shareholders' for resolution.

Since the Company's enterprise lifecycle is at the nature stage, but the industrial environment may vary with other external factors; the Company will still expand domestic and foreign markets actively for further growth, the Company, while

distributing earnings, shall discuss our future capital demand, tax system and influence on shareholders, besides considering the actual earnings first; with the goal of keeping dividends steady, decide the dividend distribution. The dividends may be distributed either in cash or by stocks, but the distribution ratio shall not be higher than 50% of the total divided amount. Board of Directors shall prepare the distribution scheme and make resolution according to Company Act.

The Company shall distribute earnings or offset deficit after the end of a half of accounting year. The proposal of the first half of the fiscal year or deficit offset submitted along with the business report and financial statement to the Audit Committee for reviewed and approved by the Board of Directors.

In distributing earnings as mentioned above, the Company shall first forecast and reserve the taxes payable, lawfully offset losses or set aside legal reserves or special reserves. In case of any surplus, the surplus and the opening accumulated undistributed earnings shall be accounted as distributable earnings. However, this provision shall not apply if such legal reserves amount to the total capital of the Company.

In distributing surplus earnings according to the foregoing Paragraph 3 by issuing new shares, the Company shall follow the Company Act. To distribute surplus earnings in cash, it shall be approved by the Board of Directors.

Chapter 8 Supplementary Provisions

Article 33 Any matters inadequately provided for herein shall be subject to provisions concerned set forth in the Company Law and other relevant laws and regulations.

Article 34 Board of Directors shall determine the Company's organization regulations and affairs handling rules separately.

Article 35 The Articles of Incorporation were erected on Jul. 17, 1961; the 1st amendment took place on Dec. 25, 1961; the 2nd amendment took place on Mar. 31, 1965; the 3rd amendment took place on Jun. 16, 1966; the 4th amendment took place on Nov. 20, 1966; the 5th amendment took place on Sep. 16 1967; the 6th amendment took place on Oct. 16, 1968; the 7th amendment took place on May 26, 1969; the 8th amendment took place on Aug. 14, 1970; the 9th amendment took place on Apr. 18, 1971; the 10th amendment took place on Apr. 16, 1972; the 11th amendment took place on Apr. 15, 1973; the 12th amendment took place on Dec. 25, 1973; the 13th amendment took place on Apr. 7, 1964; the 14th amendment took place on Mar. 29, 1977; the 15th amendment took place on Mar. 5, 1978; the 16th amendment took place on Feb. 25, 1979; the 17th amendment took place on Mar. 23, 1980; the 18th amendment took place on Mar. 15, 1981; the 19th amendment took place on Mar. 21, 1982; the 20th amendment took place on Mar. 20, 1983; the 21st amendment

took place on Mar. 25, 1984; the 22nd amendment took place on Mar. 23, 1986; the 23rd amendment took place on Mar. 22, 1987; the 24th amendment took place on Mar. 27, 1988; the 25th amendment took place on Mar. 24, 1991; the 26th amendment took place on Mar. 26, 1992; the 27th amendment took place on Mar. 26, 1993; the 28th amendment took place on Mar. 26, 1994; the 29th amendment took place on Mar. 24, 1995; the 30th amendment took place on Jun. 5, 1999; the 31st amendment took place on Jun. 7, 2000; the 32nd amendment took place on Jun. 20, 2001; the 33rd amendment took place on Jun. 21, 2002; the 34th amendment took place on May 28, 2004; the 35th amendment took place on May 27, 2005; the 36th amendment took place on Jun. 6, 2006; the 37th amendment took place on Jun. 19, 2009; the 38th amendment took place on May 27, 2011; the 39th amendment took place on Jun. 6, 2012; the 40th amendment took place on May 20, 2013; the 41st amendment took place on Nov. 19, 2014; the 42nd amendment took place Jun. 22, 2016; the 43rd amendment took place on Jun. 20, 2017; the 44th amendment took place on Jun. 28, 2019; the 45th amendment took place on Jul. 7, 2021; the 46th amendment took place on Jun. 23, 2022.

Annex II Rules of Procedure for Shareholders' Meeting of Sanyang Motor Co., Ltd.

- Article 1 Unless otherwise prescribed by relevant laws and ordinances or the Company's Articles of Incorporation, the Company's rules of procedure of shareholders' meeting shall be subject to these rules.
- Article 2 The Company's notice of meeting shall include the time of registration of accepting shareholders, place of registration office and other matters needing attention. The time of registration of accepting shareholders described in the preceding paragraph shall be completed at least 30 min ahead of the meeting. There should be explicit sign at the registration office and sufficient competent personnel should be assigned. Shareholder or shareholder's agent shall attend shareholders' meeting by official attendance certificate, sign-in card or other attending certificates. The agent shall also carry along ID card for verification.
- A shareholder who exercises his/her voting power at a shareholders' meeting in writing or by way of electronic transmission shall be deemed to have attended the said Shareholders' Meeting in person.
- The shareholders' meeting of the Company may be convened by way of video conference or other manners announced by the competent authority.
- Article 3 The participation and voting by shareholders shall be duly calculated based on the number of shares they hold.
- Article 4 The Shareholders' Meeting shall be held in the city or county where the Company is located or at any other place that is convenient for the shareholders to attend and appropriate to convene such meeting, and shall commence at a time no earlier than 9:00 a.m. and no later than 3:00 p.m.
- Article 5 The shareholders' meeting shall be convened by board of directors and duly chaired by the chairman. In the chairman's absence or unavailability due to any reason, the vice chairman shall chair the meeting on his behalf. In the event that the vice chairman is absent or unavailable as well, the chairman shall, in advance, appoint a director to act in his place. In the event that the chairman does not appoint an agent, one director shall be elected from among themselves to act in his place.
- Where the aforesaid chairperson is a managing director or director agent, it shall have held office for at least six months and be familiar with the financial and business condition of the Company. The same requirements shall apply if the chairperson for the meeting is a director representative of a juristic person.
- Where shareholders' meeting is convened by a person with the authority to convene other than the Board of Directors, such person shall act as the chairperson at that meeting; if there are two or more persons with the authority to convene, the chairperson for the meeting shall be appointed from among them.

- Article 6 The Company may appoint the retained Attorney(s)-at-Law, Certified Public Accountant(s) or relevant personnel to participate in a shareholders' meeting as an observer.
- Staff at the Shareholders' Meetings shall wear ID badges or arm badges.
- Article 7 The Company shall record the registration, meeting progress and vote casting and counting of shareholders' meeting in its entirety through continuous audio and videotape, the meeting proceedings, voting, and counting the ballots and keep records for at least one year. In the event a lawsuit regarding the Directors election under Article 189 of the Company Law, those ballots shall be archived until the conclusion of the lawsuit.
- Article 8 The chairperson shall call the meeting to order at the time scheduled for the meeting. In the event that the meeting is attended by shareholders representing less than half of the total issued shares, the chairperson may announce a postponement of the meeting, however, there may not be more than two postponements in total and the total time accumulated in the postponement(s) shall not exceed one hour. If the meeting is still attended by shareholders representing less than 1/3 of the total issued shares, it shall be recognized as a false resolution according to Item 1, Article 175 of the Company Act.
- In the event that the total number of shares represented by attending shareholders reaches the half of the total issued shares before that same shareholder meeting is adjourned, the chairperson shall submit the resolution having been recognized as a false one to shareholders' meeting for voting in accordance with Article 174 of Company Act.
- Article 9 The agenda for the Shareholders' Meeting shall be set by the Board of Directors and relevant proposals (including extempore motion and revision to original proposal) shall be voted case by case if such meeting is convened by the Board of Directors. Unless otherwise resolved by resolution at the meeting, the meeting shall be carried out in accordance with the scheduled agenda by board of shareholders.
- The preceding paragraph shall apply mutatis mutandis to the shareholders' meeting convened by any person, other than the Board of Directors, with the authority to convene such meeting.
- In respect of the scheduled agenda referred to in the preceding two paragraphs, the chairperson may not, absent a resolution, unilaterally announce the adjournment of the meeting before all of the items on the scheduled agenda have been resolved (including extempore motion).
- After the meeting is adjourned, the shareholders shall not elect another chairperson to resume such meeting at the same location or seek an alternative venue.

- Article 10 Prior to speaking at the meeting, an attending shareholder shall submit a slip of paper summarizing his/her/its speech main idea, shareholder's account number (or the attendance ID number) and the account name of the shareholder, so that the chairman could determine the speaking order.
- After setting down the speech main idea in preceding a slip of paper, the shareholder shall announce it at the public position of venue of the meeting, and chairperson will determine the speed order. In case of any inconsistency between the shareholder's speech and record in the slip of paper, the former shall apply. The chairperson shall not adjourn the meeting without discussion or voting if the contents of the shareholder's speech are amendments, substitutions, provisional motions or other proposals.
- When an attending shareholder is speaking at the meeting, no other shareholder shall interrupt the speaking shareholder unless otherwise permitted by the chairperson and such speaking shareholder; the chairperson shall stop any such violations.
- Article 11 On the same issue, each shareholder shall not take the floor more than twice and shall not speak for more than five minutes for each time, unless agreed upon by the chairperson.
- The chairperson may stop the speech of any shareholder that is in violation of the preceding paragraph or exceeds the scope of the proposal.
- Article 12 In the event that a juristic (corporate) person is entrusted to participate in a shareholder meeting, that juristic (corporate) person may appoint only one representative to participate in the meeting.
- In the event that a juristic (corporate) person shareholder appoints two or more representatives to participate in a shareholder meeting, only one representative may speak for the same issue.
- Article 13 After a shareholder speaks on the floor; the chairperson may answer either by himself or herself or through a designee.
- Article 14 Where the chairperson believes an issue has been discussed in the meeting up to the level for voting, the chairperson may announce discontinuance of the discussion process and bring that issue to a vote.
- Article 15 The person(s) supervising the casting of the ballots and the person(s) counting the ballot(s) are designated by the chairperson, provided that the person(s) supervising the casting of the ballots shall be a shareholder.
- The voting results shall be announced at the meeting and recorded. The counting of votes or election motions at shareholders' meeting shall be handled publicly on spot, and the results of the voting or election, including the counted power, the list of elected directors and their elected power, shall be announced on spot and recorded.

- Article 16 During the process of the meeting, the chairperson may announce a recess at an appropriate time.
- Article 17 Unless otherwise provided for in law and the Company's Articles of Incorporation, decisions at the shareholder meeting shall be resolved by a majority vote of the shareholders attending the meeting. A decision, if no objection is raised upon the chairperson's inquiry, shall be deemed having been passed, and the effect shall be the same as that of voting.
- Article 18 In the event that an amendment or a substitute comes out of the same issue, the chairperson shall fix the order of balloting in consolidation with the original issue. When one among them is duly resolved, other issue(s) is (are) deemed to have been vetoed and no voting process is required.
- Article 19 The chairperson may direct patrol personnel (or security personnel) to assist in maintaining the order of the meeting. Such patrol personnel (or security personnel) shall wear arm badges marked "Patrol Personnel" while assisting in maintaining the order of the meeting.
- Article 20 The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form. The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS. The meeting minutes shall accurately record the year, month, day, and venue of the meeting, chairperson's name, the methods by which resolutions were adopted, and a summary of the deliberations and their results (including statistics weight); in case of selecting directors and supervisors, it shall disclose the number of votes of each candidature. The meeting minutes shall be retained for as long as the Company is in existence.
- Article 21 The Rules were enacted on Mar. 26, 1994; the 1st amendment took place on Jun. 4, 1998; the 2nd amendment took place on Jun. 21, 2002; the 3rd amendment took place on Jun. 6, 2012; the 4th amendment took take place on May 20, 2013; the 5th amendment took place on Jun. 20, 2017; the 6th amendment took place on Jul. 7, 2021; the 7th amendment took place on Jun. 23, 2022.

Annex III SANYANG MOTOR CO., LTD. Rules Governing the Election of Directors

- Article 1 The election of directors of the Company shall be conducted in accordance with these regulations, except as otherwise provided by the Company Act and these Articles of Incorporation.
- Article 2 The directors of the Company shall be elected by the Shareholder's Meeting.
- Article 3 Any person having the capacity for conduct can be elected as a director of the Company.
- Article 4 The quorum of directors of the Company shall be subject to that specified by the Articles of Incorporation.
- Article 5 The election of the Directors shall be conducted in accordance with the candidate nomination system according to laws. In the process of electing directors, the number of votes exercisable in respect of one share shall be the same as the number of directors to be elected. The election of independent directors and non-independent directors shall be held concurrently, provided that the number of independent directors and non-independent directors elected are calculated separately.
- Article 6 The election of directors of the Company shall be held in accordance with the quorum specified by the Articles of Incorporation of the Company, and those with a higher number of voting rights shall be elected in order. If two or more persons have the same number of voting rights and therefore exceed the quorum specified in the Articles of Incorporation of the Company, the decision shall be made by drawing lots for those who have the same number of voting rights. If those who have the same number of voting rights do not attend, the Chairman shall draw lots on their behalf.
- Article 7 The convener shall prepare ballots for directors in a number corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the Shareholders' Meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders. (It is the same in case of vote exchange described in Article 8)
- Article 8 If the number of voting rights filled in the election ticket can't properly express the number of voting rights the voter wants to allocate or the number is filled incorrectly, the voter can ask to replace the vote.
- Article 9 Before the election begins, the Chairman designates a number of persons, including scrutinizer, singer and tellers each to carry out various related tasks.
- Article 10 The election ballot box shall be prepared by the Board of Directors, and the ballot box shall be opened for public inspection by the scrutinizers before voting.

- Article 11 Selector, while filling out ballot, shall clearly set down name or account No. of person selected in the column of “person selected” of ballot. If person selected is a legal person, selector shall also give the name of legal person or the name of legal person and its representative.
- Article 12 Selection ballot in any of the following circumstances is deemed invalid.
- I. Selection ballot not casted into the ballot box.
 - II. Selection ballot not prepared by convener.
 - III. Blank election ballot not finished by elector.
 - IV. Altered election ballot.
 - V. Ballot in which person selected is verified inconsistent with list of candidates.
 - VI. Besides the account No. and name of person elected and number of distributed rights to vote, ballot is attached with other pictures or words, symbols or unclear affairs or handwriting is unclear, making selection ballot illegible.
- Article 13 After the voting is completed, the vote is opened in public under the supervision of the scrutinizers, and the result of the vote is announced by the Chairman.
- Article 14 The Rules shall become effective upon resolution at the Shareholders' Meeting.
- Article 15 The Measures were enacted on Mar. 26. The 2nd amendment took place on Jun. 21, 2002. The 3rd amendment took place on Jun. 20, 2017. The 4th amendment took place on Jul. 7, 2021.

Annex IV Shareholdings of All Directors

- I. As of Apr. 30, 2023, total 797,489,604 shares had been issued
- II. The statutory number of shares held by all directors: 25,519,667 shares
- III. As of the ownership stop date of this general shareholders' meeting, number of shareholders held by all directors had been: 63,932,240 shares
- IV. Table for Number of Shares Held by All Director Individuals is as follows:

Sanyang Motor Co., Ltd.

Register of directors

Benchmark date: Apr. 30, 2023

Position	Name	Shareholding while elected		Current Shareholding	
		Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio
Chairman	Ching-Yuan Wu	20,126,240	2.36%	20,126,240	2.52%
Vice Chairman Director	Chien-Jin Investment Co., Ltd. Representative: Li-Chu Wu Li-Hsi Chiang	29,181,000	3.42%	29,181,000	3.66%
Managing Director Independent Director	Chung-Chuan Shih	-	-	-	-
Director Director Director	Chao-Yao Investment Co., Ltd. Representative: Yu-Chang Huang Ren-Hao Tien Te-Ching Zhang	14,625,000	1.71%	14,625,000	1.83%
Independent Director	Chien Chiang	-	-	-	-
Independent Director	Chih-Hung Hsieh	-	-	-	-
Total number of shares held by directors		63,932,240	7.49%	63,932,240	8.02%