



TRIOCEAN INDUSTRIAL CORPORATION CO., LTD.
(Original name: Tri Ocean Textile Co. Ltd.)

2024

Annual General Meeting (Physical Shareholders' Meeting) Meeting Handbook



Time: 10:00 a.m., May 27, 2024 (Monday)
Location: YULE Hall, 6F, No. 153, Sec. 1, Xuesheng Road,
Dashu District, Kaohsiung City (E-DA ROYAL HOTEL).
Form of Shareholders' Meeting: Physical

Table of Contents

General Meeting of Shareholders Meeting Procedure	1
Annual General Meeting Agenda	2
Report Items.....	3
Proposed Ratifications.....	5
Matters for Discussion	7
Extraordinary Motion.....	8
Attachment	9
2023 Business Report.....	10
Audit Committee’s Review Report	12
Individual communication between members of the Audit Committee and internal auditing supervisor and accounting supervisor	13
Procedures for Ethical Corporate Management and Conduct Guidelines	14
Private placement of common stock for cash increase in 2023	22
2023 Auditors’ Review Report and Financial Statements.....	24
Comparison Table of Amendments to the Articles of Incorporation	47
Summary of Directors’ Competitive Business Items and Concurrent Positions	48
Appendix	49
Articles of Incorporation (Before Amendment)	50
Rules of Procedure for Shareholders’ Meetings.....	58
Shareholding of Directors.....	66

Triocean Industrial Corporation Co., Ltd.

General Meeting of Shareholders Meeting Procedure 2024

I. Call the Meeting to Order

II. Chair Remarks

III. Report Items

IV. Proposed Resolutions

V. Matters for Discussion

VI. Extraordinary Motion

VII. Adjournment

Triocean Industrial Corporation Co., Ltd.

2024 Annual General Meeting Agenda

Time: 10:00 a.m., May 27, 2024 (Monday)

Location : YULE Hall, 6F, No. 153, Sec. 1, Xuesheng Road, Dashu District, Kaohsiung City (E-DA ROYAL HOTEL).

Form of Shareholders' Meeting : Physical

I. Call the meeting to order “report the number of shares present”

II. Chair Remarks

III. Report Items

- (I) The Company's 2023 business report.
- (II) The Audit Committee's 2023 review report.
- (III) Report on the communication between the members of the audit committee and the internal auditing supervisor.
- (IV) Report on the Company's distribution for 2023 remuneration to employees and directors.
- (V) Motion for formulation of the “Procedures for Ethical Corporate Management and Conduct Guidelines.”
- (VI) Report on the implementation of the Company's capital increase by private placement of common stock.

IV. Proposed Resolutions

- (I) The Company's 2023 business report and financial statements.
- (II) The Company's 2023 statement of earnings distribution.

V. Matters for Discussion

- (I) Amendment to the “Articles of Association.”
- (II) Approved the motion for removal of the non-competition restriction on directors of the Company.

VI. Extraordinary Motion

VII. Adjournment

【Report Items】

(I) The Company's 2023 business report, submitted for review.

Description: For the Company's 2023 business report, please refer to pages 10-11 of the Handbook.

(II) The Audit Committee's 2023 review report, submitted for review.

Description: For the Audit Committee's 2023 review report, please refer to page 12 of the Handbook.

(III) Report on the communication between the members of the audit committee and the internal auditing supervisor, submitted for review.

Description: For the report on the communication between the members of the audit committee and the internal auditing supervisor, please refer to page 13 of the Handbook.

(IV) Report on the Company's distribution for 2023 remuneration to employees and directors, submitted for review.

Description: On March 12, 2024, with the resolution of the Board meeting in accordance with Article 25 of the Company's Articles of Incorporation, the Company's 2023 distribution of remuneration to employees and directors is as follows:

Item	Distribution ratio	Amount	Distribution method
Remuneration to employees	2%	NTD 2,485,177	Paid out in cash
Remuneration to directors	1%	NTD 1,242,589	

(V) Motion for formulation of the “Procedures for Ethical Corporate Management and Conduct Guidelines,” submitted for review.

Description: 1. In order to fulfill the needs of corporate governance and the Company’s actual operations, the Company has formulated the “Procedures for Ethical Corporate Management and Conduct Guidelines,” please refer to pages 14 – 21 of the Handbook.

(VI) Report on the implementation of the Company’s capital increase by private placement of common stock, submitted for review.

Description: For the report on the implementation of the capital increase by private placement of common stock of the Company in 2023, please refer to page 22 of this handbook.

【Ratifications】

Proposal 1 : Proposed by the Board of Directors
Subject : The Company's 2022 business report and financial statements.
Description :

- I. The Company's 2023 business report, parent company only financial statements and consolidated financial statements. The financial statements were approved by the Board of Directors on March 12, 2024 and audited by CPAs Chen Chen-Li and Chen Hsiu-Wen of Deloitte Taiwan, with an audit report issued. The Audit Committee also issued an Audit Committee's Review Report.
- II. The above statements and business reports (see pages 10-11 of the Handbook) are attached herewith.
- III. The proposal has been submitted for ratification.

Resolution:

Proposal 2: Proposed by the Board of Directors
Subject : The motion for the Company's 2023 earnings appropriation.
Description:

- I. The 2023 earnings distribution was determined by the Board of Directors on March 12, 2024 in accordance with the Company Act and the Company's Articles of Incorporation:

Earnings Distribution Table 2023

Unit: NTD

Losses to be covered at the beginning of the period	(\$ 23,774,351)
Add: Net profit after tax	141,980,440
Plus: Gains (losses) on disposal of investment property recognized in retained earnings	556,397,141
Less: Disposal of equity instruments measured at fair value through other comprehensive income	(7,495,879)
Less: 10% provision for legal reserve	(66,710,735)
Less: Special reserve appropriated (to make up for the accumulated exchange differences)	(6,915,778)
Earnings available for distribution in the current period	593,480,838
Distribution items:	
Dividend to shareholders – cash (NTD 2 per share)	(84,976,164)
Undistributed earnings at the end of the period	508,504,674

Chairman: Chiang Yu-Lian Manager: Hsu Cheng-Che Accounting Supervisor: Chen Hsing-Chen

Notes: 1. The above dividends per share are based on the total number of 42,488,082 shares outstanding on March 12, 2024.

- II. The ex-dividend base date, payment date and related matters of the current cash dividend will be authorized to the Chairman for decision after the approval at the Annual General Meeting in 2024. The amount is calculated to the nearest NTD (rounded down to the nearest NTD 1); any fractions less than NTD 1 are intended to be transferred to the Company's other income. If changes in the share capital affect the number of outstanding shares, resulting in changes in the dividend rate to shareholders, the shareholders' meeting should authorize the Chairman to make such adjustments.
- III. The proposal has been submitted for ratification.

【Matters for Discussion】

Proposal 1: Proposed by the Board of Directors
Subject : Amendment to the “Articles of Incorporation.”
Description:

- I. Amended in accordance with the Company’s actual needs.
- II. The Comparison Table of the Amendments to the Articles of Incorporation is attached hereto (page 47 of the Handbook).
- III. The proposal has been proposed for voting.

Resolution:

Proposal 2: Proposed by the Board of Directors
Subject : Motion for removal of the non-competition restriction on directors.

Description:

- I. In accordance with Article 209 of the Company Act, “Directors who take actions for themselves or others within the business scope of the Company shall describe the important contents of their actions to the shareholders’ meeting and obtain their approval.”
- II. A director of the Company who concurrently serves in other companies and engages in the same or similar business scope of the Company, within the scope of not jeopardizing the Company’s interest, the removal of the non-competition restriction on directors is submitted for the approval of the shareholders’ meeting.
- III. For the summary of positions concurrently held by directors, please refer to page 48 of the Handbook.
- IV. The proposal has been proposed for voting.

Resolution:

【Extraordinary Motion】

【Adjournment】

【 Attachment 】

Triocean Industrial Corporation Co., Ltd.

2023 Business Report

I. 2023 Business Report

Up to now, the Company has transformed into a construction business and increased public construction projects in the industry, gradually showing the effect of the transformation. Despite the rise of interest rate hikes in 2023, coupled with the increased costs in raw materials and labor, the consolidated operating revenue in 2023 totaled NTD 1,947,532 thousand, gradually demonstrating the results of the transformation. At present, the number of projects undertaken by the Company is increasing, and there is no abnormal activity in the management of each project. As the new projects begin one after another, the overall revenue recognized in the future is expected to grow steadily.

II. 2024 Business Plan

Since the Company's transformation, we have been committed to providing quality construction services. In 2023, our subsidiary "Shang Ting Construction Co., Ltd." was awarded with the Golden Safety Award. In 2024, our goal remains obtaining tenders with high added value. Our momentum still focuses on public construction, social housing and other project sources, leading the excellent assistance contractors to strive for projects with highly competitive advantages, which are in line with social development trends. Additionally, we implement the sharing of benefits and mutual growth in order to become a high-quality long-term business partner.

According to the recent international economic situation, although the US economy showed strong growth in the third quarter, the economic data in October 2023 showed a decline in employment, a contraction in the manufacturing industry, and a slowdown in retail sales, all of which indicated a cooling of the US economy. However, compared to many developed countries, emerging economies are expected to become the growth engine of the construction industry. This is in stark contrast to previous years, where the US, EU, and UK, among other countries, reported significant growth.

The record-high public construction budget in 2024 is beneficial to the release of new projects in the public sector, which is bullish. However, it is still necessary to pay attention to the fact that the prices of some construction materials may rebound. For the changes in the cost pressure of construction companies, we will continue to adjust our business strategies in response to the external challenges that will continue to come.

In the face of variables such as inflation and international political and economic conditions, all employees of the Company will continue to work hard to address various challenges, adhere to the business philosophy of "pragmatism, quality improvement, and service" to operate in a pragmatic manner and devote time and effort in the industry. We integrate and strengthen the process of construction and management through technology to ensure the procurement of key

materials, control contractor resources and meet construction deadlines, providing higher-value services to property owners and technological upgrades to contractors.

Looking into the future, the Company will focus not only on public construction projects for the most advantageous contracts, but also on achieving the Group's sustainable strategic blueprint goals. As a company, we will strengthen corporate governance, integrate the Group's resources, and actively participate in social welfare projects. We are committed to fulfilling the corporate social responsibility to shareholders and society, and strive to enhance the overall value of the Company in order to create maximum benefits for shareholders.

We hope you stay well and all the best

Chairman: Chiang Yu-Lien

General Manager: Hsu Cheng-Che

Accounting Manager: Chen Hsing-Chen

Triocean Industrial Corporation Co., Ltd.

Audit Committee's Review Report

The Board of Directors has prepared the Company's business report, financial report and earnings distribution motion for 2023. The financial reports have been audited by CPAs Chen Chen-Li and Chen Hsiu-Wen of Deloitte & Touche, who issued an independent audit report. The above-mentioned business report, financial report and earnings distribution motion were reviewed by the Audit Committee and no discrepancy was found. We hereby report as above in accordance with Article 14 4 of the Securities and Exchange Act and Article 219 of the Company Act.

To

Triocean Industrial Corporation Co., Ltd.
2024 Annual General Meeting

Triocean Industrial Corporation Co., Ltd.
Audit Committee's Review Report
Audit Committee: Huang Hao-Chen
Audit Committee: Huang Lung-Sheng
Audit Committee: Wang Chien-Chih

March 12, 2024

Triocean Industrial Corporation Co., Ltd.

Individual communication between members of the Audit Committee and internal auditing supervisor and accounting supervisor

2023

(I) Individual communication between independent directors and audit supervisors in 2023 (including pre-meeting):

Date	Communication matter	Communication results
March 23, 2023	1. Audit implementation status in the fourth quarter of 2022. 2. Motion for the Company's "Internal Control System Statement" for 2022.	1. Noted; no comments and a report were submitted to the Board of Directors. 2. Approved by all committee members present at the meeting, and a report was submitted to the Board for resolution.
May 9, 2023	1. Implementation status in the first quarter of 2023.	1. Noted; no comments and a report were submitted to the Board of Directors.
August 9, 2023	1. Audit implementation status in the second quarter of 2023.	1. Noted; no comments and a report were submitted to the Board of Directors.
November 9, 2023	1. Audit implementation status in the third quarter of 2023.	1. Noted; no comments and a report were submitted to the Board of Directors.

(II) The Auditing Supervisor shall deliver the report to the independent directors via e-mail within one month after the completion of the audit report.

(III) The Company has provided the independent directors and internal auditing supervisor with their phone numbers and e-mail addresses for direct contact and communication.

(IV) Individual communication between independent directors and CPAs in 2023:

Date	Communication method	Communication matter	Suggestions made by independent directors
March 23, 2023	Symposium of independent directors and CPAs	1. The Company's 2022 consolidated financial report and parent company only financial report.	None
November 9, 2023	Symposium of independent directors and CPAs	1. Progress and implementation of the Company's internal financial reporting capability plan. 2. Key audit matters in 2023 of the Company.	None

Triocean Industrial Corporation Co., Ltd.

Procedures for Ethical Corporate Management and Conduct Guidelines

Article 1 Purpose and Scope of Application

The Company engages in commercial activities following the principles of fairness, honesty, faithfulness, and transparency, and in order to fully implement a policy of ethical management and actively prevent unethical conduct, these Procedures for Ethical Management and Guidelines for Conduct are adopted pursuant to the provisions of the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX-Listed Companies and the applicable laws and regulations of the places where the Company and its business groups and organizations operate, with a view to providing all personnel of the Company with clear directions for the performance of their duties.

The scope of application of these Procedures and Guidelines includes the subsidiaries of the Company, any incorporated foundation in which the Company's accumulated contributions, direct or indirect, exceed 50 percent of the total funds of the foundation, and other group enterprises and organizations, such as institutions or juristic persons, substantially controlled by the Company.

Article 2 Applicable subjects

For the purposes of these Procedures and Guidelines, the term "personnel of the Company" refers to any director, supervisor, managers, employee, mandatary or person having substantial control, of the Company or its group enterprises and organizations.

Any provision, promise, request, or acceptance of improper benefits by any personnel of the Company through a third party will be presumed to be an act by the personnel of the Company.

Article 3 Unethical Conduct

For the purposes of these Procedures and Guidelines, "unethical conduct" means that any personnel of Company, in the course of performing duties, directly or indirectly provides, promises, requests, or accepts improper benefits or commits a breach of ethics, unlawful act, or breach of fiduciary duty for purposes of acquiring or maintaining benefits.

The counterparties of the unethical conduct under the preceding paragraph include public officials, political candidates, political parties or their staff, and government-owned or private-owned enterprises or institutions and their directors, supervisors, managers, employees, persons having substantial control, or other interested parties.

Article 4 Types of benefits

For the purposes of these Procedures and Guidelines, "benefits" means any money, gratuity, gift, commission, position, service, preferential treatment, rebate, facilitating payment, entertainment, dining, or any other item of value in whatever form or name.

Article 5 Responsible unit and duties

The Company has designated the Administration Department as the responsible unit with sufficient resources and competent personnel allocated to be in charge of the amendment, implementation, interpretation, and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The Administration Department shall be in charge of the following

matters and also submit regular reports (at least once a year) to the Board of Directors

- I. Assist in incorporating ethics and moral values into the Company's business strategy and adopt appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.
- II. Analyze and assess the risks of unethical conduct within the business scope on a regular basis and accordingly adopt programs to prevent unethical conduct and set out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business.
- III. Plan the internal organization, structure, and allocation of responsibilities and set up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are at a higher risk for unethical conduct.
- IV. Promote and coordinate awareness and educational activities with respect to ethics policy.
- V. Develop a whistleblowing system and ensure its operating effectiveness.
- VI. Assist the Board of Directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and prepare reports on the regular assessment of compliance with ethical management in operating procedures.
- VII. Prepare and properly keep documented information on the ethical corporate management policy and its declaration of compliance, fulfillment of commitments and implementation, etc.

Article 6 Prohibition against providing or accepting improper benefits

Except under one of the following circumstances, when providing, accepting, promising, or requesting, directly or indirectly, any benefits as specified in Article 4, the conduct of the given personnel of the Company shall comply with the provisions of the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX-Listed Companies and these Procedures and Guidelines, and the relevant procedures shall be carried out:

- I. The conduct is undertaken to meet business needs and is in accordance with local courtesy, convention, or custom during domestic (or foreign) visits, reception of guests, promotion of business, and communication and coordination.
- II. The conduct has its basis in ordinary social activities that are attended or others are invited to hold in line with accepted social custom, commercial purposes, or developing relationships.
- III. Invitations to guests or attendance at commercial activities or factory visits in relation to business needs, when the method of fee payment, number of participants, class of accommodations, and the time period for the event or visit have been specified in advance.
- IV. Attendance at folk festivals that are open to and invite the attendance of the general public.
- V. Rewards, emergency assistance, condolence payments, or honorariums from management.
- VI. The market value of property donated due to engagement, marriage, maternity, relocation, assumption of a position, promotion or transfer, retirement, resignation, or severance, or the injury, illness, or death of the recipient or the recipient's spouse or lineal relative, the market value does not exceed the reasonable value of normal social etiquette and there is no risk of affecting specific rights and interests.
- VII. Other conduct that complies with the rules of the Company.

Article 7 Procedures for handling the acceptance of improper benefits

Except under any of the circumstances set forth in the preceding article, when any personnel of the Company are provided with or are promised, either directly or indirectly, any benefits as specified in Article 4 by a third party, the matter shall be handled in accordance with the following procedures:

- I. If there is no relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall report to their immediate supervisor within three days from the acceptance of the benefit, and the responsible unit shall be notified if necessary.
- II. If a relationship of interest does exist between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall return or refuse the benefit, and shall report to his/her immediate supervisor and notify the responsible unit. When the benefit cannot be returned, then within three days from the acceptance of the benefit, the personnel shall refer the matter to the responsible unit for handling.

"A relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel," as referred to in the preceding paragraph, refers to one of the following circumstances:

- I. When the two parties have commercial dealings, a relationship of direction and supervision, or subsidies (or rewards) for expenses.
- II. When a contracting, trading, or other contractual relationship is being sought, is in progress, or has been established.
- III. Other circumstances in which a decision regarding the Company's business, or the execution or non-execution of business, will result in a beneficial or adverse impact.

The responsible unit of the Company shall make a proposal, based on the nature and value of the benefit under Paragraph 1, that it be returned, accepted on payment, given to the public, donated to charity, or handled in another appropriate manner. The proposal shall be implemented after being reported and approved by the general manager.

Article 8 Prohibition of and handling procedure for facilitating payments

The Company shall neither provide nor promise any facilitating payment.

If any personnel of the Company provides or promises a facilitating payment under threat or intimidation, they shall submit a report to their immediate supervisor stating the facts and shall notify the responsible unit.

Upon receipt of the report under the preceding paragraph, the responsible unit shall take immediate action and undertake a review of relevant matters in order to minimize the risk of recurrence. In a case involving alleged illegality, the responsible unit shall also immediately report to the relevant judicial agency.

Article 9 Procedures for handling political contributions

Political contributions by the Company shall be made in accordance with the following provisions, reported to the Chairman, and a notification given to the responsible unit:

- I. It shall be ascertained that the political contribution is in compliance with the laws and regulations governing political contributions in the country in which the recipient is located, including the maximum amount and the form in which a contribution may be made.
- II. A written record of the decision-making process shall be kept.

- III. In making political contributions, commercial dealings, applications for permits, or carrying out other matters involving the interests of the Company with the related government agencies shall be avoided.

Article 10 Procedures for handling charitable donations or sponsorships

Charitable donations or sponsorships by the Company shall be provided in accordance with the following provisions and reported to the Chairman, and a notification shall be given to the responsible unit. When the amount is NT\$1 million or more, the donation or sponsorship shall be provided only after it has been submitted for adoption by the Board of Directors:

- I. It shall be ascertained that the donation or sponsorship is in compliance with the laws and regulations of the country where the Company is doing business.
- II. A charitable donation shall be given to a valid charitable institution and may not be a disguised form of bribery.
- III. The returns received as a result of any sponsorship shall be specific and reasonable, and the subject of the sponsorship may not be a counterparty of the Company's commercial dealings or a party with which any personnel of the Company has a relationship of interest.
- IV. After a charitable donation or sponsorship has been given, it shall be ascertained that the destination to which the money flows is consistent with the purpose of the contribution.

Article 11 Recusal

When a director, supervisor, officer or other stakeholder of the Company attending or present at a board meeting, or the juristic person represented thereby, has a stake in a matter under discussion in the meeting, that director, supervisor, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of the Company would be jeopardized, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner.

Where the spouse or a blood relative within the second degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, is an interested party with respect to an agenda item, such director shall be deemed to be an interested party with respect to that agenda item.

If in the course of conducting company business, any personnel of the Company discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions.

No personnel of the Company may use company resources on commercial activities other than those of the Company, nor may any personnel's job performance be affected by his or her involvement in the commercial activities other than those of the Company.

Article 12 Special unit in charge of confidentiality regime and its responsibilities

The Company shall set up a special unit charged with formulating and implementing procedures for managing, preserving, and maintaining the confidentiality of the Company's

trade secrets, trademarks, patents, works and other intellectual properties and it shall also conduct periodical reviews on the results of implementation to ensure the sustained effectiveness of the confidentiality procedures.

All personnel of the Company shall faithfully follow the operational directions pertaining to intellectual properties as mentioned in the preceding paragraph and may not disclose to any other party any trade secrets, trademarks, patents, works, and other intellectual properties of the Company of which they have learned, nor may they inquire about or collect any trade secrets, trademarks, patents, and other intellectual properties of the Company unrelated to their individual duties.

Article 13 Prohibition against unfair competition

The Company shall follow the Fair Trade Act and applicable competition laws and regulations when engaging in business activities, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.

Article 14 Prevention of damage caused by products and services to stakeholders

The Company shall collect and understand the applicable laws and regulations and international standards governing its products and services which it shall observe and gather and publish all guidelines to cause personnel of the Company to ensure the transparency of information about, and safety of, the products and services in the course of their research and development, procurement, manufacture, provision, or sale of products and services.

The Company shall adopt and publish on its website a policy on the protection of the rights and interests of consumers or other stakeholders to prevent its products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders.

Where there are media reports, or sufficient facts to determine, that the Company's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, the Company shall, within 7 days, recall those products or suspend the services, verify the facts and present a review and improvement plan.

The responsible unit of the Company shall report the event as in the preceding paragraph, actions taken, and subsequent reviews and corrective measures taken to the Board of Directors.

Article 15 Prohibition against insider trading and non-disclosure agreement

All personnel of the Company shall adhere to the provisions of the Securities and Exchange Act, and may not take advantage of undisclosed information of which they have learned to engage in insider trading. Personnel are also prohibited from divulging undisclosed information to any other party, in order to prevent the other party from using such information to engage in insider trading.

Any organization or person outside of the Company that is involved in any merger, demerger, acquisition and share transfer, major memorandum of understanding, strategic alliance, other business partnership plan, or the signing of a major contract by the Company shall be required to sign a non-disclosure agreement in which they undertake not to disclose to any other party any trade secret or other material information of the Company acquired as a result, and to not use such information without the prior consent of the Company.

Article 16 Compliance and announcement of policy of ethical management

The Company shall request its directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy.

The Company shall disclose its policy of ethical management in its internal rules, annual reports, on the Company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.

Article 17 Ethical management evaluation prior to development of commercial relationships

Before developing a commercial relationship with another party, such as an agent, supplier, customer, or other counterparty in commercial dealings, the Company shall evaluate the legality and ethical management policy of the party and ascertain whether the party has a record of involvement in unethical conduct, in order to ensure that the party conducts business in a fair and transparent manner and will not request, offer, or take bribes.

When the Company carries out the evaluation under the preceding paragraph, it may adopt appropriate audit procedures for a review of the counterparty with which it will have commercial dealings with respect to the following matters, in order to gain a comprehensive knowledge of its ethical management:

- I. The enterprise's nationality, location of business operations, organizational structure, and management policy, and place where it will make payment.
- II. Whether the enterprise has adopted an ethical management policy, and the status of its implementation.
- III. Whether enterprise's business operations are located in a country with a high risk of corruption.
- IV. Whether the business operated by the enterprise is in an industry with a high risk of bribery.
- V. The long-term business condition and degree of goodwill of the enterprise.
- VI. Consultation with the enterprise's business partners on their opinion of the enterprise.
- VII. Whether the enterprise has a record of involvement in unethical conduct such as bribery or illegal political contributions.

Article 18 Statement of ethical management policy to counterparties in commercial dealings

Any personnel of the Company, when engaging in commercial activities, shall make a statement to the trading counterparty about the Company's ethical management policy and related rules, and shall clearly refuse to provide, promise, request, or accept, directly or indirectly, any improper benefit in whatever form or name.

Article 19 Avoidance of commercial dealings with unethical operators

All personnel of the Company shall avoid business transactions with an agent, supplier, customer, or other counterparty in commercial interactions that is involved in unethical conduct. When the counterparty or partner in cooperation is found to have engaged in unethical conduct, the personnel shall immediately cease dealing with the counterparty and blacklist it for any further business interaction in order to effectively implement the Company's ethical management policy.

Article 20 Stipulation of terms of ethical management in contracts

Prior to entering into a contract with another party, the Company shall fully understand the status of the other party's ethical management, and include compliance with the Company's ethical management policy as a clause in the contract, and specify at least the following matters in the contract:

- I. When a party to the contract becomes aware that any personnel has violated the terms and conditions pertaining to prohibition of acceptance of commissions, rebates, or other improper benefits, the party shall immediately notify the other party of the violator's identity, the manner in which the provision, promise, request, or acceptance was made, and the monetary amount or other improper benefit that was provided, promised, requested, or accepted. The party shall also provide the other party with pertinent evidence and cooperate fully with the investigation. If there has been resultant damage to either party, the party may claim from the other party the contract price as damages, and may also deduct the full amount of the damages from the contract price payable.
- II. Where a party is discovered to be engaged in unethical conduct in its commercial activities, the other party may terminate or rescind the contract unconditionally at any time.
- III. Specific and reasonable payment terms, including the place and method of payment and the requirement for compliance with related tax laws and regulations.

Article 21 Handling of unethical conduct by personnel of the Company

The Company encourages internal and external personnel to report unethical or improper conducts. Bonuses shall be paid according to the severity of the circumstances of the report. Internal personnel who have made false or malicious accusations shall be subject to disciplinary action and shall be dismissed if the circumstances are serious.

The Company shall internally establish and publicly announce on its website and the intranet, or provide through an independent external institution an independent mailbox or hotline for insiders and outsiders of the Company to submit reports.

A whistleblower shall at least furnish the following information:

- I. The whistleblower's name and ID number (whistleblowing reports may be submitted anonymously), and an address, telephone number and e-mail address where the whistleblower can be reached.
- II. The informed party's name or other information sufficient to distinguish its identifying features.
- III. Specific facts available for investigation.

Personnel of the Company handling whistleblowing matters shall represent in writing they will keep the whistleblowers' identity and contents of information confidential. The Company also undertakes to protect the whistleblowers from improper treatment due to their whistleblowing.

The responsible unit of the Company shall observe the following procedure in handling whistleblowing matters:

- I. An incident involving regular employees shall be reported to the head of the department; an incident involving a director or senior executive shall be reported to the independent director.
- II. The responsible unit of the Company and the department head or personnel being reported to in the preceding subparagraph shall immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related department.
- III. If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or the Company's policy and regulations of ethical management, the

Company shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, the Company will report to the competent authority, refer said person to judicial authority for investigation, or institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.

- IV. Documentation of case acceptance, investigation processes and investigation results shall be retained for five years and may be retained electronically. In the event of a suit in respect of the whistleblowing case before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.
- V. With respect to confirmed information, the Company shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.
- VI. The responsible unit of the Company shall submit to the Board of Directors a report on the whistleblowing case, actions taken, and subsequent reviews and corrective measures.

Article 22 Actions upon unethical conduct by others toward the Company

If any personnel of the Company discovers that another party has engaged in unethical conduct toward the Company, and such unethical conduct involves alleged illegality, the Company shall report the relevant facts to the judicial and prosecutorial authorities. Where a public service agency or public official is involved, the Company shall additionally notify the governmental anti-corruption agency.

Article 23 Internal awareness sessions and establishment of a system for rewards, penalties, and complaints, and related disciplinary measures

The responsible unit of the Company shall organize one awareness session each year and arrange for the Chairman, general manager, or senior management to communicate the importance of ethics to its directors, employees, and mandataries.

The Company shall link ethical management to employee performance evaluations and human resources policy, and establish clear and effective systems for rewards, penalties, and complaints.

If any personnel of the Company seriously violates ethical conduct, the Company shall dismiss the personnel from his/her position or terminate his/her employment in accordance with applicable laws and regulations or the personnel policy and procedures of the Company.

The Company shall disclose on its intranet information the name and title of the violator, the date and details of the violation, and the actions taken in response.

Article 24 Enforcement

These Procedures and Guidelines, and any amendments hereto, shall be implemented after adoption by resolution of the Board of Directors, and shall be delivered to each supervisor and reported to the shareholders' meeting.

When these Procedures and Guidelines are submitted to the Board of Directors for discussion, each independent director's opinions shall be taken into full consideration, and the objections and reservations expressed shall be recorded in the minutes of the Board of Directors meeting. If an independent director intends to express an objection or reservation but is unable to attend the meeting in person, then unless there is a legitimate reason to do otherwise, that director shall issue a written opinion in advance, which shall be recorded in the minutes of the meeting of the Board of Directors.

Adopted by the Board of Directors on March 12, 2024

Private placement of common stock for cash increase in 2023

Item	1st private placement in 2023 Date of issuance (delivery of shares): August 25, 2023
Types of marketable securities privately placed	Common shares
Date and amount of approval by the shareholders' meeting	Approved by the shareholders' meeting on June 19, 2023 and total number: 17,500 thousand shares
Basis and reasonableness of price setting	<p>The price per share of common stock shall be the higher of the following two criteria:</p> <p>(1) The simple arithmetic mean of the closing price of the Company's common stock is calculated one, three, and five business days before the pricing day, deducting the ex-right and ex-dividend shares of the stock dividend, and adding 80% of the average stock price after decapitalization and ex-rights.</p> <p>(2) The simple average of the closing price of the common stock of the Company's common shares 30 business days prior to the pricing date, net of ex-right and ex-dividend shares paid, adding 80% of the average stock price after decapitalization and ex-rights.</p> <p>However, the actual pricing date and the actual issue price shall be submitted to the shareholders' meeting to authorize the Board of Directors to decide according to the prevailing market conditions and the circumstances of the specific persons. The price of the private placement of common stock is determined in accordance with the relevant laws and regulations. Where the accumulated losses of the Company's accounts are increased resulting from the issue of common stock in this private placement carried out in accordance with the above-mentioned pricing method, the losses will be made up according to the Company's future operating conditions, without excluding the need for capital reduction due to the increase in accumulated losses.</p> <p>Considering that the timing, target, and quantity of private placement of securities are strictly limited, and that they may not be listed for 3 years, resulting in poor liquidity, the above pricing method complies with the laws and regulations of the competent authority, and the pricing methods are reasonable.</p>
Method of selecting specific persons	To improve the feasibility of the Company's private placement of securities, it is intended that the candidates of the private placement of common shares include insiders and related parties identified in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The remaining candidates shall be proceeded in accordance with the provisions of Article 43-6 of the Securities and Exchange Act.
Reasons for conducting the private placement	Considering the timeliness and convenience of raising capital and the cost of issuance, a private placement has been proposed.
Date of completion of price payment	July 12, 2023

	Targets of private placement	Qualification requirements	Subscription quantity	Relationship with the Company	Participation in the Company's operations
Information of candidates	Hong-Ting Co., Ltd.	Compliant with Subparagraph 2, Paragraph 1, Article 43-6 of the Securities and Exchange Act	16,237,000	Corporate director	Chairman
	Hsu Gai-Yuan		70,000	None	None
	Yeh Jun-Nan		15,000	Subsidiary employees	None
	Chen Sheng-Jie		20,000	Subsidiary employees	None
	Sung Chiung-Ling		50,000	Subsidiary employees	None
	Ou Chun-Lin		25,000	Subsidiary employees	None
	Hsu Cheng-Che		30,000	Insiders	General Manager
	Cheng Ya-Wen		20,000	Subsidiary employees	None
	Lin Yu-Sheng		30,000	Subsidiary employees	None
	Wang Jui-Lung		3,000	Subsidiary employees	None
	Winston Investment Ltd.		1,000,000	None	None
Actual subscription (or conversion) price	NTD 28.92 per share				
Difference between the actual subscription (or conversion) price and the reference price	The actual private placement price was set at NTD 28.92 per share, which was 80.00% of the reference price of NTD 36.14.				
The impact of private placement on shareholders' equity (e.g. increased cumulative losses...)	The private placement is at a premium and can increase the net value per share and have positive benefits to shareholders' equity.				
Utilization of private placement funds and progress of plan implementation	Use of funds	Amount actually used	Implementation as of Q3 2023		
	To enrich working capital	36,100,000	Executed as planned		
	To repay bank borrowings	220,000,000	Executed as planned		
	Payment for shares of acquired subsidiaries	250,000,000	Executed as planned		
Demonstration of private placement benefits	The use of funds raised from this private placement has been effective as the Company's working capital has improved. The repayment of bank borrowings helps to improve the financial structure, and the payment for the shares of the acquired subsidiaries is used to repay the payables of the acquired subsidiaries. The substantial improvement of the financial structure is conducive to the stable growth of the Company, which in turn enhances shareholders' equity. The plan has been completed.				

Attachment 6: 2023 Auditors' Review Report and Financial Statements

Declaration of Consolidated Financial Statements of Affiliates

Considering that the companies to be included in the consolidated financial statements of affiliated enterprises under the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises” were the same as those to be included in the consolidated financial statements of the parent and subsidiaries under IFRS 10 in 2023 (from January 1, 2022 to December 31, 2023), and the related information to be disclosed in the consolidated financial statements of affiliated enterprises was already disclosed in the said consolidated financial statements of the parent and subsidiaries, no consolidated financial statements of affiliated enterprises were prepared separately.

The Declaration is hereby presented.

Company name: Triocean Industrial Corporation

Person in charge: Chiang Yu-Lien

March 12, 2024

Auditors' Review Report

To: Triocean Industrial Corporation Co., Ltd.:

Audit Opinions

We have audited the accompanying consolidated balance sheets of Triocean Industrial Corporation Co., Ltd. (the “Company”) and its subsidiaries (collectively, the “Group”) as of December 31, 2023 and 2022 and the relevant consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and relevant notes to the consolidated financial statements (including a summary of significant accounting policies).

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

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the consolidated financial statements for the year ended December 31, 2023 are stated as follows:

Accuracy of revenue recognition of construction projects

After acquiring Shang-Ting Construction Co., Ltd., the Group is currently focusing on the construction business. For the accounting policy of recognition of construction revenue, please refer to Note 4. The degree of completion of the performance obligation is measured using the cost-based input method to measure the construction revenue recognized. The degree of completion of the performance obligation is the ratio of the actual input cost to the expected total cost.

Since the accounting treatment of construction engineering contracts involves significant accounting estimates and judgments made by management, the correctness of the construction engineering revenue recognized is a key audit matter.

The main audit procedures that we have performed are as follows:

1. Assess the completeness and accuracy of management's estimate of the total cost of the construction contract.
2. Check the outsourced contracts and costs, and check the degree of completion of the performance obligation and whether the revenue recognition of the construction project is correct.

Other matter

Triocean Industrial Corporation Co., Ltd. has prepared the standalone financial statements for the years ended December 31, 2023 and 2022, on which we have issued an unqualified opinion for reference.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends

to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high-level assurance but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement when it exists. The misstatements might be due to fraud or error. If an individual or total amount misstated was reasonably expected to have an impact on the economic decision-making of users of the consolidated financial statements, the misstatement was deemed as material.

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

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

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

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

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

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of consolidated financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulations precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the reviews resulting in this independent auditor's review report are Chen-Li Chen and Hsiu-Wen Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China
March 12, 2024

Notice to Readers

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

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

Triocean Industrial Corporation Co., Ltd. and Subsidiaries

CONSOLIDATED BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

Assets	December 31, 2023		December 31, 2022	
	Amount	%	Amount	%
Current assets				
Cash (Notes 4 and 6)	\$ 793,406	30	\$ 253,649	9
Contract assets – current (Notes 4, 23, 25, and 32)	289,214	11	297,706	11
Accounts receivable (Notes 4, 10, 23, 25, and 32)	72,595	3	-	-
Other receivables	42,636	2	202	-
Current income tax assets (Notes 4 and 27)	332	-	190	-
Prepayments (Note 18)	138,516	5	99,923	4
Disposal group held for sale (Notes 4 and 11)	-	-	29,646	1
Other financial assets – current (Notes 4, 9, 23, and 33)	705,121	26	724,266	26
Other current assets	8,774	-	4,203	-
Total current assets	<u>2,050,594</u>	<u>77</u>	<u>1,409,785</u>	<u>51</u>
Non-current assets				
Financial assets at fair value through other comprehensive income – non-current (Notes 4 and 8)	-	-	31,500	1
Property, plant and equipment (Notes 4 and 13)	99,701	4	100,512	4
Right-of-use assets (Notes 4, 14, and 32)	40,957	1	37,415	1
Investment property, net (Notes 4, 15 and 33)	-	-	721,010	26
Goodwill (Notes 4 and 16)	428,702	16	428,702	16
Other intangible assets (Notes 4 and 17)	11,475	-	11,195	-
Deferred income tax assets (Notes 4 and 27)	17,940	1	12,831	1
Other financial assets – non-current (Notes 4, 9, 23, 32, and 33)	16,440	1	8,116	-
Other non-current assets	14	-	14	-
Total non-current assets	<u>615,229</u>	<u>23</u>	<u>1,351,295</u>	<u>49</u>
Total assets	<u>\$ 2,665,823</u>	<u>100</u>	<u>\$ 2,761,080</u>	<u>100</u>
Liabilities and equity				
Current liabilities				
Short-term borrowings (Notes 19 and 33)	\$ 70,000	3	\$ 456,340	16
Short-term bills payable (Notes 9, 19, and 33)	298,612	11	-	-
Contract liabilities – current (Notes 4, 23, and 25)	214,208	8	132,450	5
Notes payable (Notes 20, 23, and 32)	101,729	4	56,730	2
Accounts payable (Notes 20, 23, and 32)	100,479	4	98,747	4
Other payables (Note 21)	69,779	3	26,972	1
Other payables – Related parties (Note 32)	-	-	213,025	8
Current income tax liabilities (Notes 4 and 27)	21,323	1	18,597	1
Provision – current (Notes 4 and 22)	7,192	-	1,701	-
Liabilities directly related to the disposal group to be sold (Notes 4 and 11)	-	-	1,114	-
Lease liabilities – current (Notes 4, 14, and 32)	11,000	-	10,314	-
Long-term loans due within one business cycle (Notes 19, 23, and 33)	240,565	9	218,490	8
Other current liabilities	2,736	-	2,105	-
Total current liabilities	<u>1,137,623</u>	<u>43</u>	<u>1,236,585</u>	<u>45</u>
Non-current liabilities				
Financial liabilities at fair value through profit or loss (Notes 4, 7, 12 and 32)	-	-	232,725	9
Long-term borrowings (Notes 19 and 33)	-	-	410,140	15
Provision – non-current (Notes 4 and 22)	73,167	3	38,166	1
Deferred income tax liabilities (Notes 4 and 27)	-	-	33,899	1
Lease liabilities – non-current (Notes 4, 14, and 32)	30,037	1	27,235	1
Guarantee deposits received	1,484	-	5,566	-
Total non-current liabilities	<u>104,688</u>	<u>4</u>	<u>747,731</u>	<u>27</u>
Total liabilities	<u>1,242,311</u>	<u>47</u>	<u>1,984,316</u>	<u>72</u>
Equity attributable to shareholders of the parent (Note 24)				
Ordinary share capital	424,881	16	249,881	9
Capital surplus	338,440	12	7,340	-
Unappropriated retained earnings (accumulated deficit)	667,107	25	(23,774)	(1)
Other equity	(6,916)	-	543,317	20
Total equity	<u>1,423,512</u>	<u>53</u>	<u>776,764</u>	<u>28</u>
Total liabilities and equity	<u>\$ 2,665,823</u>	<u>100</u>	<u>\$ 2,761,080</u>	<u>100</u>

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

Triocean Industrial Corporation Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
Operating revenues (Notes 4, 25, and 32)	\$ 1,947,532	100	\$ 1,169,012	100
Operating costs (Notes 4, 26, and 32)	<u>1,694,708</u>	<u>87</u>	<u>1,060,821</u>	<u>90</u>
Gross profit	<u>252,824</u>	<u>13</u>	<u>108,191</u>	<u>10</u>
General and administrative expenses (Note 26)	<u>123,470</u>	<u>6</u>	<u>115,121</u>	<u>10</u>
Income (loss) from operations	<u>129,354</u>	<u>7</u>	(<u>6,930</u>)	<u>-</u>
Non-operating income and expenses (Note 26)				
Interest revenue	5,155	-	2,863	-
Other income	16,028	1	32,116	3
Other gains and losses	19,291	1	(13,713)	(1)
Finance costs (Note 32)	(<u>17,960</u>)	(<u>1</u>)	(<u>16,773</u>)	(<u>2</u>)
Total non-operating income and expenses	<u>22,514</u>	<u>1</u>	<u>4,493</u>	<u>-</u>
Income (loss) before income tax	151,868	8	(2,437)	-
Income tax expense (profit) (Note 4 and 27)	<u>9,888</u>	<u>1</u>	(<u>5,720</u>)	<u>-</u>
Net income from continuing operations	141,980	7	3,283	-
Net income from discontinued operations	<u>-</u>	<u>-</u>	<u>434</u>	<u>-</u>
Net income	<u>141,980</u>	<u>7</u>	<u>3,717</u>	<u>-</u>

(Continued)

Triocean Industrial Corporation Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	(\$ 1,478)	—	(\$ 1,359)	—
Items that may be reclassified subsequently to profit or loss:				
Exchange differences arising on translation of foreign operations	182	-	6,555	1
Income tax related to other comprehensive income components	(36)	-	(1,311)	-
	146	-	5,244	1
Other comprehensive income (loss), net of income tax	(1,332)	-	3,885	1
Total comprehensive income	\$ 140,648	7	\$ 7,602	1
Net income attributable to:				
Shareholders of the parent	\$ 141,980	7	\$ 3,717	-
Total comprehensive income attributable to:				
Shareholders of the parent	\$ 140,648	7	\$ 7,602	1
Earnings per share (Note 28)				
From continuing operations and discontinued operations				
Basic	\$ 4.27		\$ 0.15	
Diluted	\$ 4.26		\$ 0.15	
From continuing operations				
Basic	\$ 4.27		\$ 0.13	
Diluted	\$ 4.26		\$ 0.13	

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

Triocean Industrial Corporation Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity attributable to owners of the Company						Total equity
	Ordinary share capital	Capital surplus	Unappropriated retained earnings (accumulated deficit)	Exchange differences on translating foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income	Revaluation increment of property	
Balance on January 1, 2022	\$ 249,881	\$ 7,340	(\$ 27,491)	(\$ 12,306)	(\$ 4,659)	\$ 556,397	\$ 769,162
Net income	-	-	3,717	-	-	-	3,717
Other comprehensive income (loss), net of income tax	-	-	-	5,244	(1,359)	-	3,885
Total comprehensive income (loss)	-	-	3,717	5,244	(1,359)	-	7,602
Balance, December 31, 2022	249,881	7,340	(23,774)	(7,062)	(6,018)	556,397	776,764
Net income	-	-	141,980	-	-	-	141,980
Other comprehensive income (loss), net of income tax	-	-	-	146	(1,478)	-	(1,332)
Total comprehensive income (loss)	-	-	141,980	146	(1,478)	-	140,648
Capital increase in cash (Note 24)	175,000	331,100	-	-	-	-	506,100
Disposal of investment property (Notes 15 and 24)	-	-	556,397	-	-	(556,397)	-
Disposal of equity instruments at fair value through other comprehensive income	-	-	(7,496)	-	7,496	-	7,496
Balance, December 31, 2023	\$ 424,881	\$ 338,440	\$ 667,107	(\$ 6,916)	\$ 7,496	\$ -	\$ 1,423,512

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

Triocean Industrial Corporation Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	2023	2022
Cash flow from operating activities		
Net loss before tax		
Profit (loss) before income tax from continuing operations	\$151,868	(\$ 2,437)
Profit before income tax from discontinued operation	-	434
Adjustments for:		
Depreciation expense	26,153	19,236
Amortization expense	104	37,920
Expected credit losses recognized	-	(159)
Net loss of financial assets measured at fair value through profit or loss and liabilities	-	14,316
Finance costs	17,960	16,773
Interest income	(5,155)	(2,863)
Dividend income	-	(2,584)
Loss (gain) from the disposal of property, plant and equipment	186	(722)
Gain on disposal of investment property	(17,976)	-
Loss on disposal of intangible assets	-	590
Gain on disposal of investment accounted for using the equity method	(1,416)	(2,730)
Provision	40,492	22,923
Loss on fair value adjustment of investment property	-	14,670
Others	(241)	-
Changes in operating assets and liabilities:		
Contract assets	8,492	(113,516)
Notes receivable	-	24,906
Accounts receivable	(72,595)	17,159
Other receivables	(41,551)	(97)
Prepayments	(38,593)	(79,664)
Other current assets	(4,571)	(3,681)
Contract liabilities	81,758	123,146
Notes payable	44,999	24,803
Accounts payable	1,732	68,232
Other payables	42,251	10,964
Provision	-	(93)
Other current liabilities	587	(8,147)
Cash generated from operations	\$234,484	\$179,379
Interest received	5,155	2,863
Dividends received	-	2,584
Interest paid	(18,504)	(15,828)

(Continued)

Triocean Industrial Corporation Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

Income tax paid	(<u>46,348</u>)	(<u>3,608</u>)
Net cash generated by operating activities	<u>174,787</u>	<u>165,390</u>
Cash flow from investing activities		
Disposal of financial assets at fair value through other comprehensive income	30,022	-
Disposal of financial assets at fair value through profit or loss	-	4,209
Other payables – Related parties	(445,750)	-
Net cash inflow from disposal of subsidiary	23,551	2,074
Purchase of property, plant and equipment	(11,960)	(7,852)
Proceeds from the disposal of property, plant and equipment	-	3,038
Purchase of intangible assets	(384)	(155)
Acquisition of investment property	-	(4,800)
Disposal of investment property	738,986	-
Decrease (increase) of other financial assets	<u>10,821</u>	(<u>244,068</u>)
Net cash generated by (used in) investing activities	<u>345,286</u>	(<u>247,554</u>)
Cash flow from financing activities		
Increase in short-term borrowings	70,000	372,400
Decrease in short-term borrowings	(456,340)	(583,971)
Increase in short-term bills payable	298,612	-
Repayment of corporate bonds	-	(288,900)
Borrowing of long-term loans	440,255	711,656
Repayment of long-term borrowings	(828,320)	(147,355)
Decrease in guarantee deposits received	(4,038)	(58)
Lease principal repayment	(11,490)	(6,191)
Capital increase in cash	<u>506,100</u>	<u>-</u>
Net cash generated by operating activities	<u>14,779</u>	<u>57,581</u>
Effect of exchange rate changes on cash	(<u>21</u>)	(<u>32</u>)
Net increase (decrease) in cash	<u>534,831</u>	(<u>24,615</u>)
Cash balance at the beginning of year	253,649	283,190
Cash included in the disposal group to be sold	<u>\$ 4,926</u>	(<u>\$ 4,926</u>)
Cash balance at the end of year	<u>\$793,406</u>	<u>\$253,649</u>

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

Auditors' Review Report

To: Triocean Industrial Corporation Co., Ltd.:

Audit Opinions

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

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

Basis for opinion

We have conducted our audits in accordance with Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards. Our responsibilities as an auditor for the parent company only financial statements under the abovementioned standards are explained in the Responsibilities paragraph. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the parent company only financial statements for the year ended December 31, 2023 are stated as follows:

Accuracy of revenue recognition of construction projects

Subsidiary Shang-Ting Construction Co., Ltd., is an investment accounted for using the equity method after the acquisition by Triocean Industrial Corporation Co., Ltd. As indicated in Note 12 to the parent company only financial statements, the investment amount in the investee company as at December 31, 2023 and 2022 was NTD 1,695,327 thousand and NTD 965,598 thousand, respectively. The operating results of Shang-Ting will have a significant impact on the amount of investment recognized by Triocean Industrial Corporation Co., Ltd. using the equity method.

Shang Ting Construction Co., Ltd. is principally engaged in construction projects. The construction revenue is recognized using the cost-based input method to measure the construction revenue recognized. The degree of completion of the performance obligation is the ratio of the actual input cost to the expected total cost.

Since the accounting treatment of construction engineering contracts involves significant accounting estimates and judgments made by management, the correctness of the construction engineering revenue recognized is a key audit matter.

The main audit procedures that we have performed are as follows:

1. Assess the completeness and accuracy of management's estimate of the total cost of the construction contract.
2. Check the outsourced contracts and costs, and check the degree of completion of the performance obligation and whether the revenue recognition of the construction project is correct.

Responsibilities of Management and Those Charged With Governance for the Parent Company Only Financial Statements

Responsibilities of the management were to prepare and ensure fair presentation of parent company only financial statements in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and to exercise proper internal control practices that are relevant to the preparation of parent company only financial statements so that the parent company only financial statements are free of material misstatements, whether caused by fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high-level assurance but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement when it exists. The misstatements might be due to fraud or error. If an individual or total amount misstated was reasonably expected to have an impact on the economic decision-making of users of the parent company only financial statements, the misstatement was deemed as material.

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

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

financial statements, including the disclosure, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities' activities within the Company, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the company audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of parent company only financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulations precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the reviews resulting in this independent auditor's review report are Chen-Li Chen and Hsiu-Wen Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China
March 12, 2024

Notice to Readers

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

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

Triocean Industrial Corporation Co., Ltd.

PARENT COMPANY ONLY BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2023		December 31, 2022	
	Amount	%	Amount	%
Current assets				
Cash (Notes 4 and 6)	\$ 107,931	5	\$ 30,225	2
Contract assets (Notes 4, 20, 22, and 28)	46,219	2	-	-
Accounts receivable (Notes 4, 10, 20, 22, and 28)	368	-	4,946	-
Other receivables (Note 28)	48,098	3	2,520	-
Current income tax assets (Note 4 and 24)	332	-	190	-
Prepayments	47,050	2	17,494	1
Non-current assets held for sale – net (Note 4 and 11)	-	-	28,532	1
Other financial assets – current (Notes 4, 9, 20, and 29)	69,101	3	270,061	12
Other current assets	<u>1,721</u>	<u>-</u>	<u>145</u>	<u>-</u>
Total current assets	<u>320,820</u>	<u>15</u>	<u>354,113</u>	<u>16</u>
Non-current assets				
Financial assets at fair value through other comprehensive income (Notes 4 and 8)	-	-	31,500	2
Investments accounted for using the equity method (Notes 4 and 12)	1,773,771	83	1,058,235	48
Property, plant and equipment (Notes 4 and 13)	10,619	1	1,162	-
Investment property, net (Notes 4, 15 and 29)	-	-	721,010	33
Right-of-use assets (Notes 4, 14, and 28)	18,838	1	14,535	1
Other intangible assets (Note 4)	475	-	195	-
Deferred income tax assets (Note 4 and 24)	2,141	-	4,908	-
Other financial assets – non-current (Notes 4, 9, 20, 28, and 29)	1,949	-	1,331	-
Other non-current assets	<u>14</u>	<u>-</u>	<u>14</u>	<u>-</u>
Total non-current assets	<u>1,807,807</u>	<u>85</u>	<u>1,832,890</u>	<u>84</u>
Total assets	<u>\$ 2,128,627</u>	<u>100</u>	<u>\$ 2,187,003</u>	<u>100</u>
LIABILITIES AND EQUITY				
Current liabilities				
Short-term borrowings (Notes 16 and 29)	\$ 70,000	3	\$ 417,900	19
Short-term notes payable (Notes 16 and 29)	298,612	14	-	-
Contract liabilities – current (Notes 4, 20, 22, and 28)	184,994	9	71,141	3
Notes payable (Notes 17 and 20)	34,366	2	5,217	-
Accounts payable (Notes 17 and 20)	8,295	-	3,533	-
Other payables (Note 18)	25,384	1	11,841	1
Other payables – Related parties (Note 28)	-	-	213,025	10
Provision – current (Note 4 and 19)	260	-	-	-
Lease liabilities – current (Notes 4, 14, and 28)	4,386	-	3,398	-
Long-term loans due within one business cycle (Notes 16, 20, and 29)	60,520	3	-	-
Other current liabilities	<u>2,563</u>	<u>-</u>	<u>1,579</u>	<u>-</u>
Total current liabilities	<u>689,380</u>	<u>32</u>	<u>727,634</u>	<u>33</u>
Non-current liabilities				
Financial liabilities at fair value through profit or loss (Notes 4, 7, 12 and 28)	-	-	232,725	11
Long-term borrowings (Notes 16 and 29)	-	-	400,000	18
Provision – non-current (Notes 4 and 19)	1,102	-	253	-
Deferred income tax liabilities (Note 4 and 24)	-	-	33,899	2
Lease liabilities – non-current (Notes 4, 14 and 28)	14,468	1	11,164	-
Guarantee deposits received	<u>165</u>	<u>-</u>	<u>4,564</u>	<u>-</u>
Total non-current liabilities	<u>15,735</u>	<u>1</u>	<u>682,605</u>	<u>31</u>
Total liabilities	<u>705,115</u>	<u>33</u>	<u>1,410,239</u>	<u>64</u>
Equity (Note 21)				
Ordinary share capital	424,881	20	249,881	12
Capital surplus	338,440	16	7,340	-
Unappropriated retained earnings (accumulated deficit)	667,107	31	(23,774)	(1)
Other equity	<u>(6,916)</u>	<u>-</u>	<u>543,317</u>	<u>25</u>
Total equity	<u>1,423,512</u>	<u>67</u>	<u>776,764</u>	<u>36</u>
Total liabilities and equity	<u>\$ 2,128,627</u>	<u>100</u>	<u>\$ 2,187,003</u>	<u>100</u>

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

Triocean Industrial Corporation Co., Ltd.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
Operating revenues (Notes 4, 22, and 28)				
Construction engineering revenue	\$ 283,221	100	\$ 81,242	96
Net service revenue	<u>396</u>	<u>-</u>	<u>3,814</u>	<u>4</u>
Total revenue	<u>283,617</u>	<u>100</u>	<u>85,056</u>	<u>100</u>
Operating cost (Note 23)				
Cost of engineering service sales	<u>186,501</u>	<u>66</u>	<u>49,856</u>	<u>58</u>
Gross profit	97,116	34	35,200	42
Operating expenses (Note 23)				
General and administrative	<u>52,816</u>	<u>18</u>	<u>36,406</u>	<u>43</u>
Income (loss) from operations	<u>44,300</u>	<u>16</u>	(<u>1,206</u>)	(<u>1</u>)
Non-operating income and expenses (Note 23)				
Interest revenue	1,620	1	2,081	3
Other income (Note 28)	52,152	18	56,419	66
Other gains and losses	19,281	7	(12,925)	(15)
Share of profits or loss of subsidiaries and associates	36,985	13	(27,772)	(33)
Finance costs (Note 28)	(<u>10,033</u>)	(<u>4</u>)	(<u>15,129</u>)	(<u>18</u>)
Total non-operating income and expenses	<u>100,005</u>	<u>35</u>	<u>2,674</u>	<u>3</u>
Income before income tax	144,305	51	1,468	2
Income tax expense (profit) (Note 4 and 24)	<u>2,325</u>	<u>1</u>	(<u>1,815</u>)	(<u>2</u>)
Net income from continuing operations	<u>141,980</u>	<u>50</u>	<u>3,283</u>	<u>4</u>
Net income from discontinued operations	<u>-</u>	<u>-</u>	<u>434</u>	<u>-</u>
Net income	<u>141,980</u>	<u>50</u>	<u>3,717</u>	<u>4</u>

(Continued)

Triocean Industrial Corporation Co., Ltd.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	(\$ 1,478)	-	(\$ 1,359)	(1)
Items that may be reclassified subsequently to profit or loss:				
Exchange differences arising on translation of foreign operations	182	-	6,555	8
Income tax related to other comprehensive income components	(36)	-	(1,311)	(2)
	146	-	5,244	6
Other comprehensive income (loss), net of income tax	(1,332)	-	3,885	5
Total comprehensive income	\$ 140,648	50	\$ 7,602	9
Earnings per share (Note 25)				
From continuing operations and discontinued operations				
Basic	\$ 4.27		\$ 0.15	
Diluted	\$ 4.26		\$ 0.15	
From continuing operations				
Basic	\$ 4.27		\$ 0.13	
Diluted	\$ 4.26		\$ 0.13	

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

Tricocean Industrial Corporation Co., Ltd.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Other equity						Total equity
	Ordinary share capital	Capital surplus	Unappropriated retained earnings (accumulated deficit)	Exchange differences on translating foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income	Revaluation increment of property	
Balance on January 1, 2022	\$ 249,881	\$ 7,340	(\$ 27,491)	(\$ 12,306)	(\$ 4,659)	\$ 556,397	\$ 769,162
Net income	-	-	3,717	-	-	-	3,717
Other comprehensive income (loss), net of income tax	-	-	-	5,244	(1,359)	-	3,885
Total comprehensive income (loss)	-	-	3,717	5,244	(1,359)	-	7,602
Balance, December 31, 2022	249,881	7,340	(23,774)	(7,062)	(6,018)	556,397	776,764
Net income	-	-	141,980	-	-	-	141,980
Other comprehensive income (loss), net of income tax	-	-	-	146	(1,478)	-	(1,332)
Total comprehensive income (loss)	-	-	141,980	146	(1,478)	-	140,648
Capital increase in cash (Note 21)	-	331,100	-	-	-	-	331,100
Disposal of investment property (Notes 15 and 21)	175,000	-	-	-	-	-	175,000
Disposal of equity instruments at fair value through other comprehensive income	-	-	556,397	-	-	(556,397)	-
Balance, December 31, 2023	\$ 424,881	\$ 338,440	(\$ 7,496)	(\$ 6,916)	\$ 7,496	\$ -	\$ 1,423,512

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

Triocean Industrial Corporation Co., Ltd.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	2023	2022
Cash flow from operating activities		
Profit before income tax from continuing operations	\$ 144,305	\$ 1,468
Profit before income tax from discontinued operation	-	434
Adjustments for:		
Depreciation expense	4,542	1,705
Amortization expense	104	120
Expected credit losses recognized	-	(159)
Net loss of financial assets measured at fair value through profit or loss and liabilities	-	12,975
Finance costs	10,033	15,129
Interest income	(1,620)	(2,081)
Dividend income	-	(2,009)
Share of profits of subsidiaries and associates	(36,985)	27,772
Gain on disposal of investment property	(17,976)	-
Loss on disposal of intangible assets	-	590
Gain on disposal of investment accounted for using the equity method	(1,416)	(2,730)
Loss on fair value adjustment of investment property	-	14,670
Provision	1,109	(2,095)
Others	(180)	(93)
Changes in operating assets and liabilities:		
Contract assets	(46,219)	18,099
Notes receivable	-	20,292
Accounts receivable	4,578	(357)
Other receivables	(45,578)	2,081
Prepayments	(29,556)	(15,325)
Other current assets	(1,576)	80
Contract liabilities	113,853	71,141
Notes payable	29,149	(14,423)
Accounts payable	4,762	(6,222)
Other payables	12,783	3,393
Other current liabilities	<u>984</u>	<u>(8,142)</u>
Cash generated from operations	145,096	136,313
Interest received	1,620	2,081
Dividends received	-	2,009
Interest paid	(10,373)	(14,532)

(Continued)

Triocean Industrial Corporation Co., Ltd.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	2023	2022
Income tax paid	(\$ 33,635)	(\$ 117)
Net cash generated by operating activities	102,708	125,754
Cash flow from investing activities		
Disposal of financial assets at fair value through other comprehensive income	30,022	-
Disposal of long-term equity investment using the equity method	-	10,910
Investment using the equity method	(700,000)	(150,000)
Other payables – Related parties	(445,750)	-
Refunds from capital reduction of the invested company using the equity method	-	12,149
Sale price of the invested company under the equity method	29,360	-
Purchase of property, plant and equipment	(8,870)	(1,000)
Purchase of intangible assets	(384)	(155)
Acquisition of investment property	-	(4,800)
Disposal of investment property	738,986	-
Decrease in other financial assets	200,342	105,125
Dividends received	22,312	34,346
Net cash used in (generated by) investing activities	(133,982)	6,575
Cash flow from financing activities		
Increase in short-term borrowings	70,000	303,900
Decrease in short-term borrowings	(417,900)	(511,000)
Increase in short-term bills payable	298,612	-
Repayment of corporate bonds	-	(288,900)
Borrowing of long-term loans	87,040	400,000
Repayment of long-term borrowings	(426,520)	-
Increase (decrease) in guarantee deposits received	(4,399)	57
Decrease in other payables – related parties	-	(80,000)
Repayment of the principal portion of lease liabilities	(3,953)	(1,350)
Capital increase in cash	506,100	-
Net cash generated by (used in) investing activities	108,980	(177,293)
Net increase (decrease) in cash	77,706	(44,964)
Cash balance at the beginning of year	30,225	75,189
Cash balance at the end of year	\$ 107,931	\$ 30,225

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

Triocean Industrial Corporation Co., Ltd.

Comparison Table of Amendments to the Articles of Incorporation

Amended provisions	Current provisions	Description
<p>Article 2 The Company's business scope is as follows: omitted. <u>44. E101011 Integrated Construction</u></p>	<p>Article 2 The Company's business scope is as follows: omitted.</p>	<p>Business items newly added.</p>
<p>Article 2-1 <u>The Company may provide guarantees in accordance with laws and relevant regulations for business needs.</u></p>	<p>None</p>	<p>Provisions were added due to business needs.</p>
<p>Article 25 If the Company makes a profit in the year, it shall set aside no less than 1% of the profit as remuneration to employees, which shall be distributed in shares or cash by resolution of the Board of Directors. The conditions are set by the Board of Directors. The Company may set aside no more than <u>4%</u> of the above-mentioned profit as remuneration to directors, as resolved by the Board of Directors. Remuneration to employees may only be paid in cash. The motion for distribution of remuneration to employees and directors shall be submitted to the shareholders' meeting for reporting. Where the Company has accumulated losses, an amount to offset the losses shall be retained in advance.</p>	<p>Article 25 If the Company makes a profit in the year, it shall set aside no less than 1% of the profit as remuneration to employees, which shall be distributed in shares or cash by resolution of the Board of Directors. The conditions are set by the Board of Directors. The Company may set aside no more than 1% of the above-mentioned profit as remuneration to directors, as resolved by the Board of Directors. Remuneration to employees may only be paid in cash. The motion for distribution of remuneration to employees and directors shall be submitted to the shareholders' meeting for reporting. Where the Company has accumulated losses, an amount to offset the losses shall be retained in advance.</p>	<p>Provisions were added due to business needs.</p>
<p>Article 29 omitted. <u>37th amendments were made on May 27, 2024.</u></p>	<p>Article 29 omitted.</p>	<p>Article number added</p>

Summary of Directors' Concurrent Positions and Roles

Category	Name of director	Situation of competition
Director	Su Cheng-Hui	Independent Director, Victory for Technology Co., Ltd.
		Independent director, Yiho International Co., Ltd.

[Appendix]

Triocean Industrial Corporation Co., Ltd.

Articles of Incorporation (Before Amendment)

Chapter 1 General Provisions

Article I The Company shall be duly incorporated under the Company Act and named Triocean Industrial Corporation Co., Ltd. English name: TRIOCEAN INDUSTRIAL CORPORATION CO., LTD.

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

1. C301010 Spinning of Yarn
2. C302010 Weaving of Textiles
3. C307010 Clothing Accessories
4. C801120 Manufacture of Man-made Fiber
5. F104110 Wholesale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories
6. F111090 Wholesale of Building Materials
7. F204110 Retail Sale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories
8. F211010 Retail Sale of Building Materials
9. F401010 International Trading
10. H701010 Housing and Building Development and Rental
11. H701020 Industrial Factory Buildings Lease Construction and Development
12. F199990 Other Wholesale Trade
13. H703090 Real Estate Business
14. E601010 Electric Appliance Construction
15. E603090 Illumination Equipment Construction
16. E603050 Automatic Control Equipment Construction
17. E606010 Power Consuming Equipment Inspecting and Maintenance
18. E607010 Solar Thermal Energy Equipment Installation Engineering
19. E701030 Restrained Telecom Radio Frequency Equipment and Materials Construction
20. E603040 Fire Fighting Equipment Construction
21. CC01010 Manufacture of Power Generation, Transmission and Distribution Machinery
22. CC01090 Manufacture of Batteries and Accumulators
23. CB01010 Mechanical Equipment Manufacturing
24. D101050 Combined Heat and Power
25. D101060 Self-Usage Power Generation Equipment Utilizing Renewable Energy Industry
26. E501011 Tap Water Pipelines Contractors
27. E601020 Electric Appliance Installation
28. F213110 Retail Sale of Batteries
29. F113100 Wholesale of Pollution Controlling Equipment

30. F213100 Retail Sale of Pollution Controlling Equipment
31. H701040 Specific Area Development
32. H701050 Investment, Development and Construction in Public Construction
33. H701060 New County and Community Construction and Investment
34. H701070 Process Zone Expropriation and Urban Land Readjustment Agency
35. H701080 Urban Renewal Reconstruction
36. IG03010 Energy Technical Services
37. J101030 Waste Disposing
38. J101040 Waste Treatment
39. J101060 Wastewater (Sewage) Treatment
40. J101990 Other Environmental Sanitation and Pollution Prevention Service
41. I103060 Management Consulting
42. IZ12010 Manpower Dispatched
43. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval

Article III The total amount of the Company's reinvestment may exceed 40% of the paid-in capital.

Article IV The Company is headquartered in Kaohsiung City, and may establish branches domestically or overseas where necessary with resolution adopted by the Board of Directors and the approval of the competent authority.

Article V The Company's announcement method is in accordance with Article 28 of the Company Act and other relevant laws and regulations.

Chapter 2 Shares

Article VI The total capital of the Company is NTD 990,000,000, divided into 99,000,000 shares at NTD 10 per share. The unissued shares are authorized to be issued by the Board of Directors in batches according to the Company's business needs.

Article VII The Company's shares shall be affixed with the signatures or seals of the directors representing the Company and may only be issued after they have been legally certified by a bank. Where share certificate issued without printing, the Company shall register the issued shares with a centralized securities depository enterprise.

Article VIII The transfer of shares shall be registered in accordance with Article 165 of the Company Act.
In addition to securities-related laws and regulations, the Company's stock affairs

shall be handled in accordance with the “Regulations Governing the Administration of Shareholder Services of Public Companies.”

Chapter 3 Shareholders’ Meeting

Article IX The shareholders’ meeting is divided into ordinary shareholders’ meeting and extraordinary shareholders’ meeting. An ordinary shareholders’ meeting shall be convened once a year within six months after the end of each fiscal year. Extraordinary shareholders’ meetings shall be convened when necessary. Shareholders are notified 30 days prior to an ordinary shareholders’ meeting and 15 days prior to an extraordinary shareholders’ meetings

Article X If a shareholder is unable to attend a shareholders’ meeting in person, he/she may appoint a proxy to attend the meeting in accordance with Article 177 of the Company Act by presenting the power of attorney issued by the Company stating the scope of the proxy’s authorization. The proxy form referred to in the preceding paragraph shall be delivered to the Company five days prior to the date of the shareholders’ meeting. Except as otherwise provided by the Company Act, the shareholders’ attendance by proxy after the public offering of shares shall be handled in accordance with the “Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies” established by the competent authority.

Article XI Shareholders of the Company shall have one voting right for each share held, but shall not have voting rights under any circumstances described in Article 179 of the Company Act.

Article XII Unless otherwise required by applicable laws and regulations, resolutions at a shareholders’ meeting shall be made with the presence in person or by proxy of shareholders representing a majority of the total number of issued shares and with the consent of a majority of the voting rights of the shareholders present at the meeting. However, under the following circumstances, the voting rights shall be held in person or by proxy of two-thirds of the total number of issued shares in person or by proxy, and the consent of more than half of the voting rights of the shareholders present at the meeting.

1. Purchasing or merging other domestic and foreign enterprises.
2. Dissolution, liquidation, or division.

Article XIII Shareholders’ meeting resolutions shall be compiled into detailed minutes, signed or sealed by the meeting chairperson, and disseminated to each shareholder by no

later than 20 days after the meeting, and shall be kept permanently during the Company's perpetuity period. Meeting minutes may be disseminated by way of public announcement.

The production and distribution of the meeting minutes referred to in the preceding paragraph may be done in electronic form.

Chapter 4 Directors and Audit Committee

- Article XIV The Company shall have five to nine directors, who shall be persons with adequate capacity elected by the shareholders' meeting in accordance with the law. The Company adopts a nomination system for the election of directors, and shareholders shall elect directors from the list of candidates for directors. The term of office of a director shall not exceed three years; but he/she may be eligible for re-election. In case no election of new directors is effected after expiration of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new directors have been elected and assumed their office. The total shareholding of all directors shall not be less than the percentage required by the competent authority of securities. The nomination, election and relevant handling of the Company's directors shall be handled in accordance with the Company's "Procedures for the Election of Directors" and relevant laws and regulations. Among the Company's directors, the number of independent directors shall not be less than three, and shall not be less than one-fifth of the number of directors. The professional qualifications, shareholdings, restrictions on other roles, determination of independence, nomination and election methods, and other matters to be complied with shall comply with the relevant regulations of the competent authority.
- Article XV The Company has established an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act, consisting of all independent directors. The number, tenure, powers, rules for meetings and other matters of the Audit Committee are in accordance with the "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies" shall be provided in the Audit Committee Charter.
- Article XV-I The Board of Directors of the Company may set up a Remuneration Committee or other functional committees due to the needs of business operations.
- Article XVI When the vacancy for directors reaches one-third of the total number of directors, the Board of Directors shall convene an extraordinary shareholders' meeting

within 60 days to elect a new member of the Board of Directors. The term of office of the new Directors shall be limited to the term of office of the original directors.

Article XVII The Board of Directors is authorized to determine the remuneration to the Chairman and directors in accordance with the extent of their participation in the Company's operations and their contribution, and with reference to domestic and foreign industry norm.

Article XVIII The Company may authorize the Board of Directors to take out liability insurance for all directors and representatives of directors assigned by the investees to serve as directors in accordance with the law for the scope of business activities during the term of office of the directors.

Article XIX The Board of Directors shall be organized by the directors, and a Chairman shall be elected from among the directors with the attendance of at least two-thirds of the directors and the consent of a majority of the directors present. A Vice Chairman may also be elected from among themselves in the same manner. The Chairman of the board of directors is the Chairman of the shareholders' meeting and the Board of Directors to represent the Company externally.

Article XX The Company's business policy and other important matters are resolved by the Board of Directors. The meeting of the Board of Directors is convened and chaired by the Chairman except for the first meeting of each term of the Board in accordance with Article 203 of the Company Act. Directors who participate in the meeting through video conference shall be deemed to have attended the meeting in person.

When the Chairman is on leave or for any reason is unable to exercise the powers of the chair, the Chairman shall appoint one of the directors to act on his/her behalf. Where the Chairman fails to make such appointment, the directors shall select one among themselves to act as the behalf of the Chairman.

Article XXI The meeting of the Board of Directors of the Company shall be convened once every quarter. The reasons for calling a meeting of the Board of Directors meeting shall be specified in writing, by e-mail, or by facsimile seven days in advance; however, the Board of Directors may be convened at any time in case of emergency and shall be convened in writing, by e-mail, or by facsimile. If a director is unable to attend a board meeting for any reason, he/she may issue a proxy form stating the scope of authorization on the reasons for convening the meeting.

The proxy in the preceding paragraph is limited to one person.

A board meeting may be held via videoconference. A director participating in the

meeting via videoconference shall be deemed to have attended the meeting in person. Unless otherwise provided for in the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. The minutes of the meeting shall be affixed with the signatures or seals by the chair, and they shall be distributed to all directors within 20 days after the meeting.

The production and distribution of the meeting minutes may be done in electronic form.

Chapter 5 Managers

Article XXII The Company may have managers, and the appointment, dismissal and remuneration of the managers shall be handled in accordance with Article 29 of the Company Act.

Article XXIII Shareholders of the Company shall be paid the usual remuneration levels for their participation in the business, regardless of profit or loss.

Chapter 6 Accounting

Article XXIV The fiscal year of the Company shall begin on January 1 and end on December 31 of each year. At the end of each fiscal year, the Board of Directors shall prepare the following reports, which shall be reviewed by the Audit Committee and submitted to the Annual General Meeting for approval.

I Business Report

II Financial Statement

III Motions for Earnings Distribution or Loss Recovery

Article XXV If the Company makes a profit in the year, it shall set aside no less than 1% of the profit as remuneration to employees, which shall be distributed in shares or cash by resolution of the Board of Directors. The conditions are set by the Board of Directors.

The Company may set aside no more than 1% of the above-mentioned profit as remuneration to directors, as resolved by the Board of Directors. Remuneration to employees may only be paid in cash.

The motion for distribution of remuneration to employees and directors shall be submitted to the shareholders' meeting for reporting. Where the Company has accumulated losses, an amount to offset the losses shall be retained in advance.

Article XXVI If the Company has earnings after annual settlement, they shall be distributed in the following order:

I Pay taxes in accordance with the law;

- II Offset the accumulated deficits from previous years;
- III Allocate 10% as the legal reserve. However, if the legal reserve amounts to the paid-in capital of the Company, no further appropriation may be required;
- IV For the rest, set aside or reverse special reserve according to laws and regulations;
- V If there is a remaining balance, together with the accumulated undistributed earnings, the Board of Directors shall prepare an earnings appropriation proposal in accordance with the Company's dividend policy and submit it to the shareholders' meeting for resolution.

Earnings may be distributed in the form of cash dividends or stock dividends. Cash dividends are preferred for the distribution of earnings, or may be distributed in the form of stock dividends. However, the percentage of stock dividends may not be distributed at a rate of no more than 50% of the total dividends as a principle. Where the Company has no earnings to distribute for the year, or the Company has earnings but the amount of earnings is far less than the actual earnings distributed by the Company in the previous year, or based on the Company's finance, business, and operating conditions, all or a portion of the Company's reserves may be distributed in accordance with the laws and regulations of the competent authorities.

Chapter 7 Supplementary Provisions

- Article XXVII The Company's internal organization and business handling procedures shall be separately determined by the Board of Directors.

- Article XXVIII Any matters not covered by these Articles of Incorporation shall be governed by the Company Act and other relevant laws and regulations.

- Article XXIX The Articles of Incorporation were established on September 18, 1968. The Articles of Incorporation came into force upon approval of the competent authority.
 The 1st amendments were made on June 10, 1969.
 The 2nd amendments were made on August 22, 1974.
 The 3rd amendments were made on August 1, 1976.
 The 4th amendments were made on May 25, 1981.
 The 5th amendments were made on May 31, 1985.
 The 6th amendments were made on August 21, 1985.
 The 7th amendments were made on September 13, 1985.
 The 8th amendments were made on June 15, 1986.
 The 9th amendments were made on October 11, 1986.
 The 10th amendments were made on April 15, 1991.
 The 11th amendments were made on May 10, 1991.

The 12th amendments were made on September 3, 1996.
The 13th amendments were made on September 18, 1996.
The 14th amendments were made on October 3, 1996.
The 15th amendments were made on March 7, 1997.
The 16th amendments were made on May 2, 1998.
The 17th amendments were made on August 28, 1998.
The 18th amendments were made on June 5, 1999.
The 19th amendments were made on June 17, 2000.
The 20th amendments were made on May 31, 2002.
The 21st amendments were made on May 23, 2003.
The 22nd amendments were made on June 17, 2005.
The 23rd amendments were made on June 19, 2008.
The 24th amendments were made on June 16, 2009.
The 25th amendments were made on June 14, 2010.
The 26th amendments were made on June 23, 2011.
The 27th amendments were made on June 22, 2012.
The 28th amendments were made on June 24, 2014.
The 29th amendments were made on June 23, 2015.
The 30th amendments were made on June 23, 2016.
The 31st amendments were made on June 28, 2017.
The 32nd amendments were made on June 20, 2019.
The 33rd amendments were made on June 2, 2020.
The 34th amendments were made on October 27, 2020.
The 35th amendments were made on July 1, 2021.
The 36th amendments were made on December 28, 2021.

Triocean Industrial Corporation Co., Ltd.
Rules of Procedure for Shareholders' Meetings

Article 1

These Rules have been adopted in order to establish a good governance system, improve the supervisory function and strengthen the management function of the Company's shareholders' meeting pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/TPEX-Listed Companies for compliance.

Article 2

The rules of procedures for the Company's shareholders' meetings, except as otherwise provided by laws and regulations or the Articles of Incorporation, shall be in accordance with these Rules.

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

Shareholders' meetings of the Company shall be convened by the Board of Directors, unless otherwise provided in the law.

The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) at least 30 days before the date of a regular shareholders' meeting or at least 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS at least 21 days before the date of the regular shareholders' meeting or at least 15 days before the date of the special shareholders' meeting. In addition, at least 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for the shareholders to obtain and review at any time, and distributed on-site during the shareholders' meeting.

The reasons for convening the meeting shall be specified in the notice and announcement; the notice may be given by electronic means with the consent of the addressee.

Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Paragraph 1, Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening

the shareholders' meeting. None of the above matters may be raised by an extraordinary motion. The main contents may be placed on the website designated by the securities authority or the company, and the website address shall be specified in the notice.

Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders' meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders' meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. However, a shareholder proposal proposed for urging the Company to promote public interests or fulfill its social responsibilities may still be included in the list of proposals. When the circumstances of any subparagraph of Article 172-1, Paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

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

Each proposal submitted by shareholders is limited to 300 words. A proposal exceeding 300 words will not be included in the discussion agenda. Shareholders making proposals should attend the general shareholders' meeting in person or entrust an agent to attend and participate in the discussion of the proposal.

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

Article 4

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

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company five days before the

date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail, unless a declaration is made to cancel the previous proxy appointment.

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

Article 5 (Guidelines for place and time of shareholders' meetings)

The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

Article 6 (Preparation of documents such as signature book)

The Company shall specify in the meeting notice the time and place for attendance of shareholder registrations, and other matters to be noted.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences.

Shareholders or their proxies (hereinafter referred to as "shareholders") shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

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

When the government or a legal person is a shareholder, he/she may be represented by more than one representative at a shareholders' meeting. When a legal person is appointed to attend as proxy, he/she may designate only one person to represent it in the meeting.

Article 7 (Chair of the shareholders' meeting and personnel in attendance)

If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or for any reason unable to exercise the powers of the Chairman, the Vice Chairman shall act in place of the Chairman; if there is no Vice Chairman or the Vice Chairman also is on leave or for any reason unable to exercise the powers of the Vice Chairman, the Chairman shall appoint one of the managing directors to act as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders' meetings convened by the Board of Directors be chaired by the Chairman in person. The attendance shall be recorded in the meeting minutes.

If a shareholders' meeting is convened by a party with power to convene but other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

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

Article 8 (Audio or video recording of shareholders' meeting as evidence)

The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 9

Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares represented by shareholders attending the meeting shall be calculated based on the sign-in book or sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

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

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

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

Article 10 (Discussion of proposals)

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

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

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

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

Article 11 (Speech by shareholders)

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name.

The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

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

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

Article 12 (Calculation of voting shares and recusal system)

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

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

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

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

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

Article 13

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

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

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

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

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

Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Article 14 (Election matters)

The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15

Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The production and distribution of the meeting minutes may be done 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 place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including statistical weights).

Article 16 (Public announcement)

The number of shares acquired by solicitors through solicitation of shares and the number of shares represented by proxies shall be clearly disclosed at the venue of the shareholders' meeting in a statistical statement prepared in accordance with the prescribed format on the day of the shareholders' meeting.

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

Article 17 (Maintenance of order at the venue)

The chair may direct the proctors or security personnel to help maintain order at the meeting place.

At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18

These Rules, and any amendments hereto, shall be implemented after approval by the Shareholders' Meeting.

Adopted by the Shareholders' Meeting on June 22, 2012

Amended by the Shareholders' Meeting on June 2, 2020

Amended by the Shareholders' Meeting on October 27, 2020

Shareholding of Directors:

- I. The Company's paid-in capital is NTD 424,880,820, and the number of issued shares is 42,488,082.
- II. According to Article 26 of the Securities and Exchange Act, all directors shall hold a minimum of 3,600,000 shares.
- III. The number of shares held by directors as recorded in the shareholder registry as of the closure date (March 29, 2024) of shareholders' transfer is as follows, which has complied with the shareholding ratio stipulated in Article 26 of the Securities and Exchange Act.

Job title	Name	Date elected	Number of shares held as of the base date	
			Number of shares	Shareholding ratio
Chairman	Hong-Ting Co., Ltd. Representative: Chiang Yu-Lien	June 19, 2023	16,238,000	38.22%
Director	Dai Wan Shiung Ching Co., Ltd. Representative: Hung Kuo-Chin	June 19, 2023	1,069,789	2.52%
Director	Dai Wan Shiung Ching Co., Ltd. Representative: Su Cheng-Hui	June 19, 2023	1,069,789	2.52%
Independent Director	Huang Hao-Chen	June 19, 2023	0	0%
Independent Director	Huang Lung-Sheng	June 19, 2023	0	0%
Independent Director	Wang Chien-Chih	June 19, 2023	0	0%
Total shareholdings and shareholding ratios of all directors			17,307,789	40.74%

Note: As the Company has an Audit Committee in place, the requirement that supervisors shall not hold less than a certain percentage of shares is not applicable.

TRIOCEAN

TRIOCEAN INDUSTRIAL CORPORATION CO., LTD.