

STOCK CODE

2258



FOXTRON

2024 Annual Shareholders' Meeting

Meeting Handbook



May 23, 2024

THIS IS A TRANSLATION OF THE HANDBOOK FOR THE 2024 ANNUAL SHAREHOLDERS' MEETING (THE "HANDBOOK") OF FOXTRON VEHICLE TECHNOLOGIES CO., LTD. (THE "COMPANY"). THIS TRANSLATION IS INTENDED FOR REFERENCE ONLY AND NOTHING ELSE, THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION. THE CHINESE TEXT OF THE HANDBOOK SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.

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Foxtron Vehicle Technologies Co., Ltd.
2024 Annual Shareholders' Meeting

Type : Physical Shareholders' Meeting

Time: 9:00 A.M., Thursday, May 23, 2024

Venue: 1F., No. 26, Baogao Rd., Xindian Dist., New Taipei City, Taiwan

- I. Report the Total Number of Shares Represented
at This Meeting
- II. Call the Meeting to Order
- III. Chairperson's Remarks
- IV. Report Items
- V. Proposed Items for Ratification and Discussion
- VI. Extemporaneous Motions
- VII. Meeting Adjourned

Foxtron Vehicle Technologies Co., Ltd.
Agenda for the 2024 Annual Shareholders' Meeting

- I. Chairperson's Remarks
- II. Report Items:
 - (1) To report the business of 2023
 - (2) Audit Committee's Review Report of 2023
 - (3) Amendment of "Ethical Corporate Management Best Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct", and "Regulations of Ethical Conduct"
- III. Proposed Items for Ratification and Discussion
 - (1) To accept 2023 Business Report and Financial Statements
 - (2) To accept 2023 Loss Off-Setting proposals
 - (3) To approve the lifting of director of non-competition restrictions
- IV. Extemporary Motions
- V. Meeting Adjourned

Reported Items

Item 1:

To report the business of 2023.

Explanation: 1. Please refer to Attachment 1 (pages 10 ~ 13) for the Business Report.

2. Please refer to Attachment 3 (pages 15 ~ 34) for the Financial Statements.

Item 2:

Audit Committee's Review Report of 2023.

Explanation: Please refer to Attachment 2 (page 14) for the Audit Committee's Review Report.

Item3:

Amendment of “Ethical Corporate Management Best Practice Principles”, “Procedures for Ethical Management and Guidelines for Conduct”, and “Regulations of Ethical Conduct”.

Explanation: 1. In order to enhance the Company’s governance performance and accommodate the establishment of the Audit Committee in accordance with Article 14-4 of the “Securities and Exchange Act” and related regulations, replacing the supervisor, it is proposed to amend the internal regulations.

2. Please refer to Attachment 4 to Attachment 6 (pages 35 ~ 46) for the comparison tables of article amendments.

Proposed Items for Ratification and Discussion

(Proposed by the Board of Directors)

Proposal 1:

To accept 2023 Business Report and Financial Statements.

Explanation: 1. The company's 2023 Business Report and Financial Statements have been approved by the company's Board of Directors and have been audited by the Audit Committee.

2. The aforesaid forms are attached as pages 10 ~ 34, Attachment 1 to Attachment 3.

Resolution:

(Proposed by the Board of Directors)

Proposal 2:

To accept 2023 Loss Off-Setting proposals.

Explanation: Please refer to the 2023 Loss Off-Setting Statement which has been approved by the Board of Directors and audited by the Audit Committee.

Resolution:

Foxtron Vehicle Technologies Co., Ltd.

2023 Loss Off-Setting Statement

Unit: NT\$

Item	Total
Accumulated Deficit of Previous Years	(2,368,227,727)
+ (-): Other comprehensive income of 2023	(151,616)
+ (-): Net loss of 2023	(1,927,201,342)
Accumulated Deficit as of December 31,2023	(4,295,580,685)

President: Liu, Young-Way

CEO: Lee, Bing-Yen

Accounting Officer: Huang, Chih-Ying

(Proposed by the Board of Directors)

Proposal 3:

To approve the lifting of director of non-competition restrictions.

Explanation: In order to assist the company's business development, it is proposed to release the non-competition restrictions to the following director in accordance with Article 209 of the Company Act..

Director's Name	Name of the company and current position
Representative of HON HAI PRECISION IND. CO., LTD. Huang, Ying-Shih	Foxconn New Energy Automobile Industry Development (Henan) Co., LTD.(Note) Chairman

Note: Foxconn New Energy Automobile Industry Development (Henan) Co., Ltd. is a subsidiary of HON HAI PRECISION IND. CO., LTD., with 100% ownership

Resolution:

Extemporaneous Motions

Meeting Adjourned

Foxtron Vehicle Technologies Co., Ltd. Business Report

In 2023, Taiwan's automobile market sales reached a new high in 18 years, with a total of 476,987 vehicles sold throughout the year, representing an 11% annual increase. This includes 24,479 electric vehicles, which accounts for approximately 5.1% of the total market, and a 53% growth rate of electric vehicles compared to 2022. With the promotion of policies, increasing demand, and improved usage environment for electric vehicles, the Taiwan's electric vehicle market is currently on the path of accelerated growth, complementing the positive growth that we currently experience of the global electric vehicle market, where sales are exceeding ten million units and an annual growth rate of 24%.

According to the "State of Climate Action 2023" by the Systems Change Lab, an international non-profit organization, in order to stay below a 1.5°C temperature increase by the end of the century and achieving a net-zero emissions by 2050, there are 42 established environment projects that needed to achieve its targets by 2030, but only one project that states the proportion of electric vehicles is aligned and on track with its projected targets. With the drive to build towards a sustainable development and net-zero carbon footprint, Foxtron Vehicle Technologies Co., Ltd. (hereinafter referred to as the Company), is focused on the development of its Open EV Platform to promote the popularization and penetration of electric vehicles. Initially starting from the Taiwanese market working outwards to the rest of the global markets, the Company aims to drive and accelerate the automotive industry's growth and value.

The Company's business development direction includes three major categories: passenger vehicles, commercial vehicles, and technical services. Among them, the electric bus MODEL T started delivery in June 2022. With the collective effort of our partners, a total of 120 deliveries have been completed at the end of December 2023, and are now operating and in service to the public in multiple counties and cities in Taiwan. The first passenger vehicle product, MODEL C, received its homologation certificate from various government agencies in Taiwan in October 2023, and started its mass delivery to the end-customers in the fourth quarter of the same year, and is now expanding its delivery volume following its 2024 marketing plans. Supported by the two categories of products, the Company's revenue in 2023 multiplied 2.5 times compared to 2022, more about the overview of the Company's operations of 2023 and its outlook for 2024 in the following chapters.

I. 2023 Annual Business Results

(1) Business results

The Company's consolidated operating revenue for the year 2023 was NT\$1,043,992 thousand, an increase of 253% compared to the consolidated operating revenue of NT\$296,033 thousand in 2022. Due to effective financial management, the net loss performed better than the internal targets.

The results of the 2023 fiscal year:

Financial Data and Profitability Analysis				
Unit: Thousands NTD; %				
Item	2023	2022	Increase (decrease) of Amount	Rate of change (%)
Revenue	1,043,992	296,033	747,959	253%
Gross profit	157,098	89,558	67,540	75%
Net (loss) from operations	(2,380,559)	(1,642,246)	(738,313)	-45%
Net (loss) before tax	(2,192,674)	(1,580,365)	(612,309)	-39%
Net (loss) after tax	(1,927,201)	(1,357,042)	(570,159)	-42%
Earnings Per Share	(1.20)	(0.87)	(0.33)	-38%

(2) Research and development status in 2023

The Company invested NT\$2,394,655 thousand in research and development in 2023 to strengthen its vehicle developments, mass production, technology integration, and software construction, with the following achievements:

- MODEL B: completed the design and preliminary engineering of its commercialized version in all-wheel drive (AWD) and dual-color versions additional to its RWD format, unveiled at Hon Hai Tech Day 23 (HHTD 2023).
- MODEL C: went through its development, production trial, testing and validation, and passed the homologation process in Taiwan to obtain its licenses for public road use.
- MODEL T: maintained continuous delivery to meet market demands.
- Commercial Vehicle Platform: Showcased the results of the joint development of a domestic e-powertrain system at Hon Hai Tech Day 23 (HHTD 2023).

II. Summary of the 2024 Business Plan

(1) Business directions:

1. Passenger vehicle: while MODEL C continuous expands its deliveries, the MODEL B is steadily moving towards mass production. And all vehicle models within this category are engaged in product quality and cost improvement activities and are part of the Company's overseas market development.
2. Commercial vehicle: continuously improving on customer satisfaction, increasing overall production capacity and capability through the enablement of the Qiaotou Industrial Park factory, and is engaged in product quality and cost improvements, as well as the development of overseas markets.
3. Company's operations: with moving towards net zero emissions by 2050, actively implementing management teams and systems, electrification of transportation, development policies, and corporate goals.

(2) Expected sales volume

Main products	Estimated sales volume
Passenger vehicle	With Taiwan customers' pre-order volume exceeding 9,000 vehicles, the annual sales volume is expected to exceed 10,000 vehicles.
Commercial vehicle	continuously expanding new business opportunities, expected sales of over 100 vehicles

Major factors to be considered that may impact the Company's sales volume:

1. The passenger and commercial electric vehicle market continues to grow
2. The electric vehicle infrastructure, such as charging stations, continues to improve.
3. Policies are promoting electrification of commercial vehicles.

(3) Important production and marketing policies

1. Strengthen existing customer relationships in passenger and commercial vehicles, expand new customer opportunities, and continue to develop new vehicle models.
2. Forming strong relationships with the Company's supplier and strategic partnerships to ensure technology, production capacity, delivery time, quality, and competitiveness.
3. Staying vigilant and adaptive to market dynamics and technology trends, to continuously advance its research and developments.

III. Future company development strategy

The Company is committed to ‘promoting the popularization of electric vehicles with its Open EV Platform’. By sharing a platform that is enabling the collective effort and wisdom from all the platform users, development costs can therefore be reduced, development time can be shortened, and the key economies of scale is easier achievable. The Company aims to provide such a cross-customer sharing platform through its professional expertise and technical services.

With the CDMS (Contract Design and Manufacturing Service) cooperation model of the Foxconn group, the Company is playing a key role in providing design, engineering, supply chain management, and other services. The Company offers CDMS services to multiple brand customers, and through its vertical integration and technical capabilities, it expects to complement its partners in their research and development, cost efficiency, and expand their go to market options.

IV. Influenced by external competitive environment, regulatory environment, and overall business environments.

The operation of the Company is in accordance with relevant domestic and international laws and regulations. It is constantly paying attention to important policy and regulatory changes, as well as market trends, relevant technological developments, and industry dynamics. The Company respond to environmental changes in a timely manner and implements appropriate measures to optimize its delivery.

The Company will continue to strengthen its research and development capabilities and expand customer relationships in 2024, while continuously optimizing product quality and its cost efficiency. Its financial operations are leaning towards stable growth and long-term investments, where necessary resources are allocated based on its operating plans, such as the cultivation and nurturing of professional talents, forming robust teams to meet the diverse requirements of its customers and to be able to adapt to the ever-changing external competition and regulatory environmental challenges, while moving closer to the 2050 net zero emissions and popularizing electric vehicles goals that it set for itself. The Company’s management team with all its employees are as always uphold the principles of ‘integrity, professionalism, and openness’ to meet the challenges of 2024 and bring value to its shareholder.

President
Liu, Young-Way

CEO:
Lee, Bing-Yen

Accounting Officer:
Huang, Chih-Ying

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2023 Financial Statements, Business Report, and loss off-setting proposal, among which the audit of the Financial Statements has been completed by PricewaterhouseCoopers Taiwan, which also issued the audit report.

The Audit Committee has reviewed the Financial Statements, Business Report, and loss off-setting proposals, and found them to be compliant with applicable regulations. This report is hereby made in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. I submit this report for your review.

Foxtron Vehicle Technologies Co., Ltd.

Chairperson of the Audit Committee

February 29, 2024

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Foxtron Vehicle Technologies Co., Ltd.

Opinion

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

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

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the parent company only financial statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis 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 Company's 2023 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only fi-

financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matter for the Company's 2023 parent company only financial statements is stated as follows:

Intangible asset - impairment assessment of car model technology development costs

Description

Refer to Note 4(13) for accounting policies on intangible assets, Note 4(14) for accounting policies on impairment of non-financial assets, Note 5 for significant accounting estimates and assumptions of intangible assets, and Note 6(9) for details of intangible assets.

The Company's car model technology development costs amounted to NT\$7,072,361 thousand as at December 31, 2023. An impairment assessment is performed annually when there is any indication of impairment. As the calculation of value in use involves management's judgements, such as the estimation of future cash flows of product life cycles and the determination of discount rate, etc., which are highly uncertain and have a material impact in the estimation of value in use, the impairment assessment of car model technology development costs was identified as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Obtained an understanding of and assessed the key control procedures performed by management, including review and approval of financial budgets and assumptions.
2. Compared the parameters used in predicting future cash flows with historical experience, economic and industrial forecasts.
3. Compared the parameters used in determining discount rate with the assumptions on capital cost of cash generating units, and with returns rate on similar assets.
4. Verified the valuation model calculation.
5. Assessed the future cash flow sensitivity analysis prepared by management based on the alternative hypothesis using different discount rates, and confirmed whether

management had adequately assessed the possible impact of the estimation uncertainty on the impairment valuation.

Responsibilities of management and those charged with governance for the parent company only financial statements

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

In preparing the parent company only financial statements, management 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.

Auditors' 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 of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the 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, 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

Chieh-Ju, Hsu Hsu, Sheng-Chung

For and on behalf of PricewaterhouseCoopers, Taiwan
February 29, 2024

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

FOXTRON VEHICLE TECHNOLOGIES CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Assets			December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 6,508,198	31	\$ 4,553,538	32
1136	Financial assets at amortised cost - current	6(2) and 9	3,048,725	14	3,547	-
1140	Contract assets - current	6(17) and 7	246,560	1	57,666	-
1170	Accounts receivable, net	6(3) and 7	252,707	1	915	-
1200	Other receivables		26,592	-	10,370	-
1220	Income tax assets - current		2,677	-	652	-
130X	Inventories	6(4)	606,918	3	271,912	2
1410	Prepayments	6(5)	392,933	2	516,049	4
11XX	Total current assets		11,085,310	52	5,414,649	38
Non-current assets						
1550	Investments accounted for using equity method	6(6)	39,898	-	-	-
1600	Property, plant and equipment	6(7)	1,166,740	6	1,002,653	7
1755	Right-of-use assets	6(8)	197,325	1	-	-
1780	Intangible assets	6(9)	7,213,662	34	7,048,143	50
1840	Deferred income tax assets	6(20)	1,075,457	5	476,119	3
1900	Other non-current assets	6(10) and 8	459,884	2	237,053	2
15XX	Total non-current assets		10,152,966	48	8,763,968	62
1XXX	Total assets		\$ 21,238,276	100	\$ 14,178,617	100

(Continued)

FOXTRON VEHICLE TECHNOLOGIES CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2130	Contract liabilities - current	6(17) and 7	\$ 13,345	-	\$ 25,135	-
2170	Accounts payable	7	635,426	3	130,846	1
2200	Other payables	7	639,645	3	665,264	5
2250	Provisions for liabilities - current	6(11)	3,802	-	618	-
2280	Lease liabilities - current		81,748	1	-	-
2300	Other current liabilities	9	78,292	-	16,811	-
21XX	Total current liabilities		1,452,258	7	838,674	6
Non-current liabilities						
2527	Contract liabilities - non-current	6(17)	129,315	1	129,315	1
2550	Provisions for liabilities - non-current	6(11)	8,770	-	1,421	-
2570	Deferred income tax liabilities	6(20)	333,598	1	-	-
2580	Lease liabilities - non-current		142,664	1	-	-
2600	Other non-current liabilities	6(12)	1,470	-	1,435	-
25XX	Total non-current liabilities		615,817	3	132,171	1
2XXX	Total liabilities		2,068,075	10	970,845	7
Equity						
Share capital						
3110	Ordinary share	6(14)	17,413,140	82	15,576,000	110
	Capital surplus	6(15)				
3200	Capital surplus		6,053,782	28	-	-
Retained earnings						
3350	Accumulated deficit	6(16)	(4,295,580)	(20)	(2,368,228)	(17)
Other equity						
3400	Other equity interest	6(16)	(1,141)	-	-	-
3XXX	Total equity		19,170,201	90	13,207,772	93
Significant contingent liabilities and unrecognised contract commitments		9				
3X2X	Total liabilities and equity		\$ 21,238,276	100	\$ 14,178,617	100

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

FOXTRON VEHICLE TECHNOLOGIES CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for loss per share amount)

			Year ended December 31			
			2023		2022	
Items	Notes		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(17) and 7		\$ 1,036,084	100	\$ 296,033	100
5000 Operating costs	6(4)(18)(19) and 7		(885,058)	(86)	(206,475)	(70)
5900 Gross profit from operations			151,026	14	89,558	30
Operating expenses	6(18)(19) and 7					
6100 Selling expenses			(32,752)	(3)	(10,204)	(3)
6200 General and administrative expenses			(416,182)	(40)	(339,242)	(115)
6300 Research and development expenses			(2,069,840)	(200)	(1,382,358)	(467)
6000 Total operating expenses			(2,518,774)	(243)	(1,731,804)	(585)
6900 Net operating loss			(2,367,748)	(229)	(1,642,246)	(555)
Non-operating income and expenses						
7100 Interest income			26,328	2	6,473	2
7010 Other income	7 and 9		144,339	14	55,575	19
7020 Other gains and losses			17,442	2	(167)	-
7050 Finance costs			(1,183)	-	-	-
7070 Share of loss of subsidiaries, associates and joint ventures accounted for using equity method	6(6)		(12,081)	(1)	-	-
7000 Total non-operating income and expenses			174,845	17	61,881	21
7900 Loss before income tax			(2,192,903)	(212)	(1,580,365)	(534)
7950 Income tax benefit	6(20)		265,702	26	223,323	76
8200 Loss for the year			(\$ 1,927,201)	(186)	(\$ 1,357,042)	(458)
Components of other comprehensive income that will not be reclassified to profit or loss						
8311 (Loss) gain on remeasurement of defined benefit plan	6(12)		(\$ 189)	-	\$ 969	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(20)		38	-	(194)	-
8310 Other comprehensive (loss) income that will not be reclassified to profit or loss			(151)	-	775	-
Components of other comprehensive income that will be reclassified to profit or loss						
8361 Currency translation differences			(1,141)	-	-	-
8300 Other comprehensive (loss) income			(\$ 1,292)	-	\$ 775	-
8500 Total comprehensive loss			(\$ 1,928,493)	(186)	(\$ 1,356,267)	(458)
Loss per share						
9750 Basic and diluted loss per share	6(21)		(\$ 1.20)		(\$ 0.87)	

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

FOXTON VEHICLE TECHNOLOGIES CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

23

	Notes	Ordinary share	Capital surplus	Accumulated deficit	Exchange differences on translation of for- eign financial state- ments	Total equity
<u>2022</u>						
Balance at January 1		\$ 15,576,000	\$ -	(\$ 1,011,961)	\$ -	\$ 14,564,039
Loss for the year		-	-	(1,357,042)	-	(1,357,042)
Other comprehensive income for the year		-	-	775	-	775
Total comprehensive loss for the year		-	-	(1,356,267)	-	(1,356,267)
Balance at December 31		<u>\$ 15,576,000</u>	<u>\$ -</u>	<u>(\$ 2,368,228)</u>	<u>\$ -</u>	<u>\$ 13,207,772</u>
<u>2023</u>						
Balance at January 1		\$ 15,576,000	\$ -	(\$ 2,368,228)	\$ -	\$ 13,207,772
Loss for the year		-	-	(1,927,201)	-	(1,927,201)
Other comprehensive loss for the year		-	-	151	(1,141)	(1,292)
Total comprehensive loss for the year		-	-	(1,927,352)	(1,141)	(1,928,493)
Issuance of employee restricted stocks	6(13)(14)(15)	337,140	33,148	-	-	370,288
Issuance of new shares	6(14)(15)	1,500,000	6,000,000	-	-	7,500,000
Share-based payments	6(13)(15)	-	11,875	-	-	11,875
Organisation restructuring	6(15)	-	8,759	-	-	8,759
Balance at December 31		<u>\$ 17,413,140</u>	<u>\$ 6,053,782</u>	<u>(\$ 4,295,580)</u>	<u>(\$ 1,141)</u>	<u>\$ 19,170,201</u>

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

FOXTRON VEHICLE TECHNOLOGIES CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Loss before tax		(\$ 2,192,903)	(\$ 1,580,365)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(18)	361,594	280,158
Amortisation	6(18)	852,917	510,702
Expected credit loss	12(2)	1,719	50
Finance costs		1,183	-
Interest income		(26,328)	(6,473)
Share-based payments	6(13)	45,023	-
Share of loss accounted for using equity method	6(6)	12,081	-
Loss on disposal of property, plant and equipment		-	39
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets		(189,059)	(57,666)
Accounts receivable		(253,346)	25,538
Other receivables		(16,222)	(5,677)
Inventories		(354,350)	(251,236)
Prepayments		123,116	(103,238)
Changes in operating liabilities			
Contract liabilities		(11,790)	154,450
Accounts payable		504,580	91,541
Other payables		371,659	205,983
Provisions of liabilities		10,533	2,039
Other current liabilities		61,481	(31,140)
Net defined benefit liability		(154)	(1,215)
Cash outflow generated from operations		(698,266)	(766,510)
Interest received		26,328	6,473
Interest paid		(120)	-
Income tax paid		(2,025)	(566)
Net cash flows used in operating activities		(674,083)	(760,603)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
(Increase) decrease in financial assets at amortised cost - current		(3,045,178)	46,106
Acquisition of investments accounted for using equity method	6(6)	(44,361)	-
Acquisition of property, plant and equipment	6(22)	(538,245)	(66,391)
Proceeds from disposal of property, plant and equipment		-	1,131
Acquisition of intangible assets		(1,018,436)	(709,577)
Increase in other non-current assets		(228,744)	(219,670)
Decrease in guarantee deposits		5,913	-
Net cash flows used in investing activities		(4,869,051)	(948,401)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Payments of lease liabilities		(2,206)	-
Proceeds from issuance of shares	6(14)	7,500,000	-
Increase in other liabilities		-	400
Net cash flows from financing activities		7,497,794	400
Net increase (decrease) in cash and cash equivalents		1,954,660	(1,708,604)
Cash and cash equivalents at beginning of year		4,553,538	6,262,142
Cash and cash equivalents at end of year		\$ 6,508,198	\$ 4,553,538

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

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Foxtron Vehicle Technologies Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Foxtron Vehicle Technologies Co., Ltd. and its subsidiary (the “Group”) as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

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

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2023 consolidated financial statements. These mat-

ters 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 matter for the Group's 2023 consolidated financial statements is stated as follows:

Intangible asset - impairment assessment of car model technology development costs

Description

Refer to Note 4(13) for accounting policies on intangible assets, Note 4(14) for accounting policies on impairment of non-financial assets, Note 5 for significant accounting estimates and assumptions of intangible assets, and Note 6(8) for details of intangible assets.

Car model technology development costs of Foxtron Vehicle Technology Co., Ltd. amounted to NT\$7,072,361 thousand as at December 31, 2023. An impairment assessment is performed annually when there is any indication of impairment. As the calculation of value in use involves management's judgements, such as the estimation of future cash flows of product life cycles and the determination of discount rate, etc., which are highly uncertain and have a material impact in the estimation of value in use, the impairment assessment of car model technology development costs was identified as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Obtained an understanding of and assessed the key control procedures performed by management, including review and approval of financial budgets and assumptions.
2. Compared the parameters used in predicting future cash flows with historical experience, economic and industrial forecasts.
3. Compared the parameters used in determining discount rate with the assumptions on capital cost of cash generating units, and with returns rate on similar assets.
4. Verified the valuation model calculation.
5. Assessed the future cash flow sensitivity analysis prepared by management based on the alternative hypothesis using different discount rates, and confirmed whether management had adequately assessed the possible impact of the estimation uncer-

tainty on the impairment valuation.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of Foxtron Vehicle Technology Co., Ltd. as at and for the years ended December 31, 2023 and 2022.

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 International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material

misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

Chieh-Ju, Hsu Hsu, Sheng-Chung

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 29, 2024

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

FOXTRON VEHICLE TECHNOLOGIES CO., LTD. AND ITS SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Assets			December 31, 2023		December 31, 2022			
			AMOUNT	%	AMOUNT	%		
Current assets								
1100	Cash and cash equivalents	6(1)	\$	6,553,115	31	\$	4,553,538	32
1136	Financial assets at amortised cost - current	6(2) and 9		3,048,725	14		3,547	-
1140	Contract assets - current	6(16) and 7		246,560	1		57,666	-
1170	Accounts receivable, net	6(3) and 7		252,707	1		915	-
1200	Other receivables			26,625	-		10,370	-
1220	Income tax assets - current			2,677	-		652	-
130X	Inventories	6(4)		606,918	3		271,912	2
1410	Prepayments	6(5)		393,278	2		516,049	4
11XX	Total current assets			11,130,605	52		5,414,649	38
Non-current assets								
1600	Property, plant and equipment	6(6)		1,167,477	6		1,002,653	7
1755	Right-of-use assets	6(7) and 7		197,325	1		-	-
1780	Intangible assets	6(8)		7,213,662	34		7,048,143	50
1840	Deferred income tax assets	6(19)		1,075,457	5		476,119	3
1900	Other non-current assets	6(9)		460,168	2		237,053	2
15XX	Total non-current assets			10,114,089	48		8,763,968	62
1XXX	Total assets		\$	21,244,694	100	\$	14,178,617	100

(Continued)

FOXTRON VEHICLE TECHNOLOGIES CO., LTD. AND ITS SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2023		December 31, 2022			
			Notes	AMOUNT	%	AMOUNT	%	
Current liabilities								
2130	Contract liabilities - current	6(16) and 7	\$	13,345	-	\$	25,135	-
2170	Accounts payable	7		635,468	3		130,846	1
2200	Other payables	7		646,021	3		665,264	5
2250	Provisions for liabilities - current	6(10)		3,802	-		618	-
2280	Lease liabilities - current	7		81,748	1		-	-
2300	Other current liabilities	9		78,292	-		16,811	-
21XX	Total current liabilities			1,458,676	7		838,674	6
Non-current liabilities								
2527	Contract liabilities - non-current	6(16)		129,315	1		129,315	1
2550	Provisions for liabilities - non-current	6(10)		8,770	-		1,421	-
2570	Deferred income tax liabilities	6(19)		333,598	1		-	-
2580	Lease liabilities - non-current			142,664	1		-	-
2600	Other non-current liabilities	6(11)		1,470	-		1,435	-
25XX	Total non-current liabilities			615,817	3		132,171	1
2XXX	Total liabilities			2,074,493	10		970,845	7
Equity								
Equity attributable to owners of parent								
Share capital								
3110	Ordinary share	6(13)		17,413,140	82		15,576,000	110
	Capital surplus	6(14)						
3200	Capital surplus	6(14)		6,053,782	28		-	-
Retained earnings								
3350	Accumulated deficit	6(15)	(4,295,580)	(20)	(2,368,228)	(17)
Other equity								
3400	Other equity interest	6(15)	(1,141)	-		-	-
31XX	Equity attributable to owners of the parent			19,170,201	90		13,207,772	93
3XXX	Total equity			19,170,201	90		13,207,772	93
Significant contingent liabilities and unrecognised contract commitments								
3X2X	Total liabilities and equity		\$	21,244,694	100	\$	14,178,617	100

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

FOXTRON VEHICLE TECHNOLOGIES CO., LTD. AND ITS SUBSIDIARY
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except for loss per share amount)

			Year ended December 31			
			2023		2022	
Items	Notes		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(16) and 7		\$ 1,043,992	100	\$ 296,033	100
5000 Operating costs	6(4)(17)(18) and 7		(886,894)	(85)	(206,475)	(70)
5900 Gross profit from operations			157,098	15	89,558	30
Operating expenses	6(17)(18) and 7					
6100 Selling expenses			(32,752)	(3)	(10,204)	(3)
6200 General and administrative expenses			(435,065)	(42)	(339,242)	(115)
6300 Research and development expenses			(2,069,840)	(198)	(1,382,358)	(467)
6000 Total operating expenses			(2,537,657)	(243)	(1,731,804)	(585)
6900 Net operating loss			(2,380,559)	(228)	(1,642,246)	(555)
Total non-operating income and expenses						
7100 Interest income			27,298	2	6,473	2
7010 Other income	7 and 9		144,339	14	55,575	19
7020 Other gains and losses			17,431	2	(167)	-
7050 Finance costs			(1,183)	-	-	-
7000 Total non-operating income and expenses			187,885	18	61,881	21
7900 Loss before income tax			(2,192,674)	(210)	(1,580,365)	(534)
7950 Income tax benefit	6(19)		265,473	25	223,323	76
8200 Loss for the year			(\$ 1,927,201)	(185)	(\$ 1,357,042)	(458)
Components of other comprehensive income that will not be reclassified to profit or loss						
8311 (Loss) gain on remeasurement of defined benefit plan	6(11)		(\$ 189)	-	\$ 969	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(19)		38	-	(194)	-
8310 Other comprehensive (loss) income that will not be reclassified to profit or loss			(151)	-	775	-
Components of other comprehensive income that will be reclassified to profit or loss						
8361 Currency translation differences			(1,141)	-	-	-
8300 Other comprehensive (loss) income			(\$ 1,292)	-	\$ 775	-
8500 Total comprehensive loss			(\$ 1,928,493)	(185)	(\$ 1,356,267)	(458)
Loss attributable to:						
8610 Owners of parent			(\$ 1,927,201)	(185)	(\$ 1,357,042)	(458)
Comprehensive loss attributable to:						
8710 Owners of parent			(\$ 1,928,493)	(185)	(\$ 1,356,267)	(458)
Loss per share						
9750 Basic and diluted loss per share	6(20)		(\$ 1.20)		(\$ 0.87)	

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

FOXTRON VEHICLE TECHNOLOGIES CO., LTD. AND ITS SUBSIDIARY
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Equity attributable to owners of the parent			Exchange differences on translation of for- eign financial state- ments	Total equity
		Ordinary share	Capital surplus	Accumulated deficit		
<u>2022</u>						
Balance at January 1		\$ 15,576,000	\$ -	(\$ 1,011,961)	\$ -	\$ 14,564,039
Loss for the year		-	-	(1,357,042)	-	(1,357,042)
Other comprehensive income for the year		-	-	775	-	775
Total comprehensive loss for the year		-	-	(1,356,267)	-	(1,356,267)
Balance at December 31		<u>\$ 15,576,000</u>	<u>\$ -</u>	<u>(\$ 2,368,228)</u>	<u>\$ -</u>	<u>\$ 13,207,772</u>
<u>2023</u>						
Balance at January 1		\$ 15,576,000	\$ -	(\$ 2,368,228)	\$ -	\$ 13,207,772
Loss for the year		-	-	(1,927,201)	-	(1,927,201)
Other comprehensive loss for the year		-	-	(151)	(1,141)	(1,292)
Total comprehensive loss for the year		-	-	(1,927,352)	(1,141)	(1,928,493)
Issuance of employee restricted stocks	6(12)(13)(14)	337,140	33,148	-	-	370,288
Issuance of new shares	6(13)(14)	1,500,000	6,000,000	-	-	7,500,000
Share-based payments	6(12)(14)	-	11,875	-	-	11,875
Organisation restructuring	6(14)	-	8,759	-	-	8,759
Balance at December 31		<u>\$ 17,413,140</u>	<u>\$ 6,053,782</u>	<u>(\$ 4,295,580)</u>	<u>(\$ 1,141)</u>	<u>\$ 19,170,201</u>

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

FOXTRON VEHICLE TECHNOLOGIES CO., LTD. AND ITS SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(\$ 2,192,674)	(\$ 1,580,365)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(17)	364,041	280,158
Amortisation	6(17)	852,917	510,702
Expected credit loss	12(2)	1,719	50
Finance costs		1,183	-
Interest income		(26,328)	(6,473)
Share-based payments	6(12)	45,023	-
Loss on disposal of property, plant and equipment		-	39
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets		(189,059)	(57,666)
Accounts receivable		(243,465)	25,538
Other receivables		(16,255)	(5,677)
Inventories		(354,350)	251,236)
Prepayments		122,771	(103,238)
Changes in operating liabilities			
Contract liabilities		(11,790)	154,450
Accounts payable		504,585	91,541
Other payables		376,562	205,983
Provisions for liabilities		10,533	2,039
Other current liabilities		61,481	(31,140)
Net defined benefit liability		(154)	(1,215)
Cash outflow generated from operations		(693,260)	(766,510)
Interest received		26,328	6,473
Interest paid		(120)	-
Income tax paid		(2,496)	566)
Net cash flows used in operating activities		(669,548)	(760,603)
CASH FLOWS FROM INVESTING ACTIVITIES			
(Increase) decrease in financial assets at amortised cost - current		(3,045,178)	46,106
Acquisition of property, plant and equipment	6(21)	(541,304)	(66,391)
Proceeds from disposal of property, plant and equipment		-	1,131
Acquisition of intangible assets		(1,018,436)	(709,577)
Increase in other non-current assets		(228,546)	(219,670)
Decrease in guarantee deposits		5,629	-
Net cash flows used in investing activities		(4,827,835)	(948,401)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of lease liabilities		(2,349)	-
Proceeds from issuance of shares	6(13)	7,500,000	-
Increase in other liabilities		-	400
Net cash flows from financing activities		7,497,651	400
Net effect of changes in foreign currency exchange rates		(691)	-
Net increase (decrease) in cash and cash equivalents		1,999,577	(1,708,604)
Cash and cash equivalents at beginning of year		4,553,538	6,262,142
Cash and cash equivalents at end of year		\$ 6,553,115	\$ 4,553,538

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

Foxtron Vehicle Technologies Co., Ltd.
Ethical Corporate Management Best Practice Principles
Comparison Table of Re-vised Articles

Pre-amendment article	Post-amendment article	Reason for re- vision
<p>Article 2: Prohibition of dishonest behavior</p> <p>When engaging in commercial activities, directors, <u>supervisors</u>, managers, employees, and mandataries of our company or persons having substantial control over such companies (“substantial controllers”) shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, nor commit unethical acts including breach of ethics, illegal acts, or breach of fiduciary duty (“unethical conduct”) for purposes of acquiring or maintaining benefits.</p> <p>(The following is omitted)</p>	<p>Article 2: Prohibition of dishonest behavior</p> <p>When engaging in commercial activities, directors, managers, employees, and mandataries of our company or persons having substantial control over such companies (“substantial controllers”) shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, nor commit unethical acts including breach of ethics, illegal acts, or breach of fiduciary duty (“unethical conduct”) for purposes of acquiring or maintaining benefits.</p> <p>(The following is omitted)</p>	<p>In accordance with the establishment of the Audit Committee for our company’s public offering, delete any references to the supervisor.</p>
<p>Article 10: Bribery and receiving bribes are prohibited</p> <p>When conducting business, our company, directors, <u>supervisors</u>, managers, employees, mandataries, and substantial controllers, may not directly or indirectly offer, promise to offer, request, or accept any improper benefits in whatever form to or from clients, agents, contractors, suppliers, public servants, or other stakeholders.</p>	<p>Article 10: Bribery and receiving bribes are prohibited</p> <p>When conducting business, our company, directors, managers, employees, mandataries, and substantial controllers, may not directly or indirectly offer, promise to offer, request, or accept any improper benefits in whatever form to or from clients, agents, contractors, suppliers, public servants, or other stakeholders.</p>	<p>In accordance with the establishment of the Audit Committee for our company’s public offering, delete any references to the supervisor.</p>
<p>Article 11: Providing illegal political contributions is prohibited</p> <p>When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, our company, directors, <u>supervisors</u>, managers, employees, mandataries, and substantial controllers, shall comply with the Political Donations Act and their own relevant internal operating procedures, and shall not make such donations in exchange for commercial gains or business advantages.</p>	<p>Article 11: Providing illegal political contributions is prohibited</p> <p>When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, our company, directors, managers, employees, mandataries, and substantial controllers, shall comply with the Political Donations Act and their own relevant internal operating procedures, and shall not make such donations in exchange for commercial gains or business advantages.</p>	<p>In accordance with the establishment of the Audit Committee for our company’s public offering, delete any references to the supervisor.</p>
<p>Article 12: Prohibit improper charitable donations or sponsorships</p> <p>When making or offering donations and sponsorship, our company, directors,</p>	<p>Article 12: Prohibit improper charitable donations or sponsorships</p> <p>When making or offering donations and sponsorship, our company, directors,</p>	<p>In accordance with the establishment of the Audit Commit-</p>

Pre-amendment article	Post-amendment article	Reason for revision
supervisors, managers, employees, mandataries, and substantial controllers shall comply with relevant laws and regulations and internal operating procedures, and shall not surreptitiously engage in bribery.	managers, employees, mandataries, and substantial controllers shall comply with relevant laws and regulations and internal operating procedures, and shall not surreptitiously engage in bribery.	tee for our company's public offering, delete any references to the supervisor.
Article 13: Prohibition of unreasonable gifts, hospitality, or other improper benefits Our company, directors, <u>supervisors</u> , managers, employees, mandataries, and substantial controllers shall not directly or indirectly offer or accept any unreasonable presents, hospitality or other improper benefits to establish business relationship or influence commercial transactions.	Article 13: Prohibition of unreasonable gifts, hospitality, or other improper benefits Our company, directors, managers, employees, mandataries, and substantial controllers shall not directly or indirectly offer or accept any unreasonable presents, hospitality or other improper benefits to establish business relationship or influence commercial transactions.	In accordance with the establishment of the Audit Committee for our company's public offering, delete any references to the supervisor.
Article 14: Prohibition of infringement of intellectual property rights Our company, directors, <u>supervisors</u> , managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations, the company's internal operating procedures, and contractual provisions concerning intellectual property, and may not use, disclose, dispose, or damage intellectual property or otherwise infringe intellectual property rights without the prior consent of the intellectual property rights holder.	Article 14: Prohibition of infringement of intellectual property rights Our company, directors, managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations, the company's internal operating procedures, and contractual provisions concerning intellectual property, and may not use, disclose, dispose, or damage intellectual property or otherwise infringe intellectual property rights without the prior consent of the intellectual property rights holder.	In accordance with the establishment of the Audit Committee for our company's public offering, delete any references to the supervisor.
Article 16: Prevent product or service damage to stakeholders In the course of research and development, procurement, manufacture, provision, or sale of products and services, our company, directors, <u>supervisors</u> , managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations and international standards to ensure the transparency of information about, and safety of, their products and services. They shall also adopt and publish a policy on the protection of the rights and interests of consumers or other stakeholders, and carry out the policy in their operations, with a view to preventing their products and services	Article 16: Prevent product or service damage to stakeholders In the course of research and development, procurement, manufacture, provision, or sale of products and services, our company, directors, managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations and international standards to ensure the transparency of information about, and safety of, their products and services. They shall also adopt and publish a policy on the protection of the rights and interests of consumers or other stakeholders, and carry out the policy in their operations, with a view to preventing their products and services from directly or indirectly	In accordance with the establishment of the Audit Committee for our company's public offering, delete any references to the supervisor.

Pre-amendment article	Post-amendment article	Reason for revision
from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders. Where there are 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, in principle, recall those products or suspend the services immediately.	damaging the rights and interests, health, and safety of consumers or other stakeholders. Where there are 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, in principle, recall those products or suspend the services immediately.	
<p>Article 17: Organization and Responsibility</p> <p>The directors, <u>supervisors</u>, managers, employees, mandataries, and substantial controllers of our company shall exercise the due care of good administrators to urge the company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies. To achieve sound ethical corporate management, our company shall establish a dedicated unit that is under the board of directors and avail itself of adequate resources and staff itself with competent personnel, responsible for establishing and supervising the implementation of the ethical corporate management policies and prevention programs. The dedicated unit shall be in charge of the following matters, and shall report to the board of directors on a regular basis (at least once a year):</p> <p>(The following is omitted)</p>	<p>Article 17: Organization and Responsibility</p> <p>The directors, managers, employees, mandataries and substantial controllers of our company shall exercise the due care of good administrators to urge the company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies. To achieve sound ethical corporate management, our company shall establish a dedicated unit that is under the board of directors and avail itself of adequate resources and staff itself with competent personnel, responsible for establishing and supervising the implementation of the ethical corporate management policies and prevention programs. The dedicated unit shall be in charge of the following matters, and shall report to the board of directors on a regular basis (at least once a year):</p> <p>(The following is omitted)</p>	In accordance with the establishment of the Audit Committee for our company's public offering, delete any references to the supervisor.
<p>Article 18: Compliance with laws and regulations when conducting business</p> <p>Our company, directors, <u>supervisors</u>, managers, employees, mandataries, and substantial controllers shall comply with laws and regulations and the prevention programs when conducting business.</p>	<p>Article 18: Compliance with laws and regulations when conducting business</p> <p>Our company, directors, managers, employees, mandataries, and substantial controllers shall comply with laws and regulations and the prevention programs when conducting business.</p>	In accordance with the establishment of the Audit Committee for our company's public offering, delete any references to the supervisor.
<p>Article 19: Recusal of Interest</p> <p>Our company shall adopt policies for preventing conflicts of interest to iden-</p>	<p>Article 19: Recusal of Interest</p> <p>Our company shall adopt policies for preventing conflicts of interest to iden-</p>	In accordance with the establishment of the

Pre-amendment article	Post-amendment article	Reason for revision
<p>tify, monitor, and manage risks possibly resulting from unethical conduct, and shall also offer appropriate means for directors, <u>supervisors</u>, managers, and other stakeholders attending or present at board meetings to voluntarily explain whether their interests would potentially conflict with those of the company.</p> <p>When a proposal at a given board of directors meeting concerns the personal interest of, or the interest of the juristic person represented by, any of the directors, <u>supervisors</u>, managers, and other stakeholders attending or present at board meetings of our company, the concerned person shall state the important aspects of the relationship of interest at the given board meeting. If his or her participation is likely to prejudice the interest of the company, the concerned person may not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director. The directors shall practice self-discipline and must not support one another in improper dealings. Our company' directors, <u>supervisors</u>, managers, employees, mandataries, and substantial controllers shall not take advantage of their positions or influence in the companies to obtain improper benefits for themselves, their spouses, parents, children or any other person.</p>	<p>tify, monitor, and manage risks possibly resulting from unethical conduct, and shall also offer appropriate means for directors, managers, and other stakeholders attending or present at board meetings to voluntarily explain whether their interests would potentially conflict with those of the company.</p> <p>When a proposal at a given board of directors meeting concerns the personal interest of, or the interest of the juristic person represented by, any of the directors, managers, and other stakeholders attending or present at board meetings of our company, the concerned person shall state the important aspects of the relationship of interest at the given board meeting. If his or her participation is likely to prejudice the interest of the company, the concerned person may not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director. The directors shall practice self-discipline and must not support one another in improper dealings. Our company' directors, managers, employees, mandataries, and substantial controllers shall not take advantage of their positions or influence in the companies to obtain improper benefits for themselves, their spouses, parents, children or any other person.</p>	<p>Audit Committee for our company's public offering, delete any references to the supervisor.</p>
<p>Article 21: Operating Procedures and Guidelines for Conduct</p> <p>Our company shall establish operational procedures and guidelines in accordance with Article 6 hereof to guide directors, <u>supervisors</u>, managers, employees, and substantial controllers on how to conduct business. The procedures and guidelines should at least contain the following matters: (The following is omitted)</p>	<p>Article 21: Operating Procedures and Guidelines for Conduct</p> <p>Our company shall establish operational procedures and guidelines in accordance with Article 6 hereof to guide directors, managers, employees, and substantial controllers on how to conduct business. The procedures and guidelines should at least contain the following matters: (The following is omitted)</p>	<p>In accordance with the establishment of the Audit Committee for our company's public offering, delete any references to the supervisor.</p>
<p>Article 22: Education training and assessment</p>	<p>Article 22: Education training and assessment</p>	<p>In accordance with the estab-</p>

Pre-amendment article	Post-amendment article	Reason for revision
<p>II. Our company shall periodically organize training and awareness programs for directors, <u>supervisors</u>, managers, employees, mandataries, and substantial controllers and invite the companies' commercial transaction counterparties, so they understand the companies' resolve to implement ethical corporate management, the related policies, prevention programs and the consequences of committing unethical conduct.</p> <p>(The following is omitted)</p>	<p>II. Our company shall periodically organize training and awareness programs for directors, managers, employees, mandataries, and substantial controllers and invite the companies' commercial transaction counterparties, so they understand the companies' resolve to implement ethical corporate management, the related policies, prevention programs and the consequences of committing unethical conduct.</p> <p>(The following is omitted)</p>	<p>ishment of the Audit Committee for our company's public offering, delete any references to the supervisor.</p>
<p>Article 23: A whistle-blowing system</p> <p>Our company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following:</p> <p>I. (omitted)</p> <p>II. Dedicated personnel or unit appointed to handle the whistle-blowing system. Any tip involving a director or senior management shall be reported to the <u>supervisors</u> or independent directors. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted.</p> <p>(omitted)</p> <p>When material misconduct or likelihood of material impairment to our company comes to their awareness upon investigation, the dedicated personnel or unit handling the whistle-blowing system shall immediately prepare a report and notify the <u>supervisors</u> or independent directors in written form.</p>	<p>Article 23: A whistle-blowing system</p> <p>Our company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following:</p> <p>I. (omitted)</p> <p>II. Dedicated personnel or unit appointed to handle the whistle-blowing system. Any tip involving a director or senior management shall be reported to the independent directors. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted.</p> <p>(omitted)</p> <p>When material misconduct or likelihood of material impairment to our company comes to their awareness upon investigation, the dedicated personnel or unit handling the whistle-blowing system shall immediately prepare a report and notify the independent directors in written form.</p>	<p>In accordance with the establishment of the Audit Committee for our company's public offering, delete any references to the supervisor.</p>
<p>Article 26: Review and amendment of the policy and measures for ethical management</p> <p>Our company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage their directors, <u>supervisors</u>, managers, and employees to make suggestions, based on which the adopted</p>	<p>Article 26: Review and amendment of the policy and measures for ethical management</p> <p>Our company shall always monitor the development of relevant local and international regulations concerning ethical corporate management and encourage their directors, managers, and employees to make suggestions, based on which the adopted ethical corporate</p>	<p>In accordance with the establishment of the Audit Committee for our company's public offering, delete any references to the supervisor.</p>

Pre-amendment article	Post-amendment article	Reason for revision
ethical corporate management policies and measures taken will be reviewed and improved with a view to achieving better implementation of ethical management.	management policies and measures taken will be reviewed and improved with a view to achieving better implementation of ethical management.	
<p>Article 27: Implementation</p> <p>I. The ethical corporate management best practice principles of our company shall be implemented after the board of directors grants the approval and shall be <u>sent to the supervisors and</u> reported at a shareholders' meeting. The same procedure shall be followed when the principles have been amended.</p> <p>When our company, <u>if independent directors appointed</u>, submits its ethical corporate management best practice principles to the board of directors for discussion pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. Any objections or reservations of any independent director shall be recorded in the minutes of the board of directors meeting. An independent director that cannot attend the board meeting in person to express objections or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the board of directors meeting.</p> <p><u>If our company has established an audit committee, the provisions regarding supervisors in these Principles shall apply mutatis mutandis to the audit committee.</u></p>	<p>Article 27: Implementation</p> <p>The ethical corporate management best practice principles of our company shall be implemented after the board of directors grants the approval and shall be reported at a shareholders' meeting. The same procedure shall be followed when the principles have been amended.</p> <p>When our company submits its ethical corporate management best practice principles to the board of directors for discussion pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. Any objections or reservations of any independent director shall be recorded in the minutes of the board of directors meeting. An independent director that cannot attend the board meeting in person to express objections or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the board of directors meeting.</p> <p>(The following shall be deleted)</p>	<p>In accordance with the establishment of an audit committee and the appointment of independent directors for our company's public offering, please delete any relevant text regarding supervisors.</p>

Foxtron Vehicle Technologies Co., Ltd.
Procedures for Ethical Management and Guidelines for Conduct
Comparison Table of Revised Articles

Pre-amendment article	Post-amendment article	Reason for revision
<p>Article 3: Applicable subjects</p> <p>For the purposes of these Procedures and Guidelines, the term “personnel of our company” refers to any director, <u>supervisor</u>, manager, employee, mandataries or person having substantial control, of our company or its group enterprises and organizations. (The rest is omitted)</p>	<p>Article 3: Applicable subjects</p> <p>For the purposes of these Procedures and Guidelines, the term “personnel of our company” refers to any director, manager, employee, mandataries or person having substantial control, of our company or its group enterprises and organizations. (The rest is omitted)</p>	<p>In accordance with the establishment of the Audit Committee for our company’s public offering, delete any references to the supervisor.</p>
<p>Article 12: Recusal of Interest</p> <p>When a director, <u>supervisor</u>, manager or other stakeholder of our 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, manager or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of our company would be prejudiced, 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. (The rest is omitted)</p>	<p>Article 12: Recusal of Interest</p> <p>When a director, manager or other stakeholder of our 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, manager or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of our company would be prejudiced, 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. (The rest is omitted)</p>	<p>In accordance with the establishment of the Audit Committee for our company’s public offering, delete any references to the supervisor.</p>
<p>Article 22: Handling of unethical conduct by company personnel (Item 1 to Item 2 omitted)</p> <p>Personnel of our company handling whistle-blowing matters shall represent in writing they will keep the whistleblowers’ identity and contents of information confidential. Our company also undertakes to protect the whistleblowers from improper treatment due to their whistleblowing. The responsible unit of our company shall observe the following procedure in handling whistleblowing matters:</p>	<p>Article 22: Handling of unethical conduct by company personnel (Item 1 to Item 2 omitted)</p> <p>Personnel of our company handling whistle-blowing matters shall represent in writing they will keep the whistleblowers’ identity and contents of information confidential. Our company also undertakes to protect the whistleblowers from improper treatment due to their whistleblowing. The responsible unit of our company shall observe the following procedure in handling whistleblowing matters:</p>	<p>In accordance with the establishment of the Audit Committee for our company’s public offering, delete any references to the supervisor.</p>

Pre-amendment article	Post-amendment article	Reason for revision
I. An information shall be reported to the department head if involving the rank and file, and to an independent director <u>or supervisor</u> if involving a director or a senior executive. (The rest is omitted)	I. An information shall be reported to the department head if involving the rank and file, and to an independent director if involving a director or a senior executive. (The rest is omitted)	
Article 24: Internal promotion, establishment of rewards and punishments, appeals system, and disciplinary measures The responsible unit of our company shall organize periodic awareness programs each year and arrange for the chairperson, general manager, or senior management to communicate the importance of ethics to its directors, <u>supervisor</u> , employees, and mandataries. (The rest is omitted)	Article 24: Internal promotion, establishment of rewards and punishments, appeals system, and disciplinary measures The responsible unit of our company shall organize periodic awareness programs each year and arrange for the chairperson, general manager, or senior management to communicate the importance of ethics to its directors, employees, and mandataries. (The rest is omitted)	In accordance with the establishment of the Audit Committee for our company's public offering, delete any references to the supervisor.
Article 25: Implementation These Procedures and Guidelines, and any amendments hereto, shall be implemented after adoption by resolution of the board of directors, and shall be <u>delivered to each supervisor and</u> reported to the shareholders meeting. When our company, <u>if independent directors appointed</u> , submits these Procedures and Guidelines to the board of directors for discussion pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. Any objections or reservations of any independent director shall be recorded in the minutes of the board of directors meeting. An independent director that cannot attend the board meeting in person to express objections or reservations shall provide a written opinion before the board meeting, unless there is a legitimate reason to do otherwise, and the opinion shall be recorded in the minutes of the board of directors meeting.	Article 25: Implementation These Procedures and Guidelines, and any amendments hereto, shall be implemented after adoption by resolution of the board of directors, and shall be reported to the shareholders meeting. When our company submits these Procedures and Guidelines to the board of directors for discussion pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. Any objections or reservations of any independent director shall be recorded in the minutes of the board of directors meeting. An independent director that cannot attend the board meeting in person to express objections or reservations shall provide a written opinion before the board meeting, unless there is a legitimate reason to do otherwise, and the opinion shall be recorded in the minutes of the board of directors meeting.	In accordance with the establishment of an audit committee and the appointment of independent directors for our company's public offering, delete any relevant text regarding supervisors.

Foxtron Vehicle Technologies Co., Ltd.
Regulations of Ethical Conduct
Comparison Table of Revised Articles

Pre-amendment article	Post-amendment article	Reason for revision
<p>Article 1: Objective</p> <p>In recognition of the necessity to assist our company in their establishment of codes of ethical conduct, the Codes are adopted for the purpose of encouraging directors, <u>supervisors</u> and managers of our company (including general managers or their equivalents, assistant general managers or their equivalents, director or their equivalents, chief financial, chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of our company) to act in line with ethical standards, and to help interested parties better understand the ethical standards of such companies.</p>	<p>Article 1: Objective</p> <p>In recognition of the necessity to assist our company in their establishment of codes of ethical conduct, the Codes are adopted for the purpose of encouraging directors and managers of our company (including general managers or their equivalents, assistant general managers or their equivalents, director or their equivalents, chief financial, chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of our company) to act in line with ethical standards, and to this interested parties better understand this ethical standards of such companies.</p>	<p>In accordance with the establishment of the Audit Committee for our company's public offering, delete any references to the supervisor.</p>
<p>Article 2: Scope</p> <p>I. Prevention of conflicts of interest</p> <p>Personal interests come into play or may come into play when they conflict with the overall interests of the company. For example, when directors, <u>supervisors</u>, or managers of the company are unable to handle their duties objectively and efficiently, or when they use their positions in the company to benefit themselves, their spouses, or close relatives within the second degree. The company should pay special attention to the financial loans or guarantees provided to or by the aforementioned personnel's affiliated enterprises, significant asset transactions, and the matters related to the purchase and sale of goods.</p> <p>II. Minimizing opportunities to pursue personal gain.</p> <p>Directors, <u>supervisors</u>, or managers should avoid the following matters: The directors, <u>supervisors</u>, or managers of the Company shall avoid engaging in any of the following activities: (1) Seeking an opportunity to pursue personal gain by using company property or information or taking advantage of their positions. (2) Obtain-</p>	<p>Article 2: Scope</p> <p>I. Prevention of conflicts of interest</p> <p>Personal interests come into play or may come into play when they conflict with the overall interests of the company. For example, when directors or managers of the company are unable to handle their duties objectively and efficiently, or when they use their positions in the company to benefit themselves, their spouses, or close relatives within the second degree. The company should pay special attention to the financial loans or guarantees provided to or by the aforementioned personnel's affiliated enterprises, significant asset transactions, and the matters related to the purchase and sale of goods.</p> <p>II. Minimizing opportunities to pursue personal gain.</p> <p>Directors or managers should avoid the following matters: The directors or managers of the Company shall avoid engaging in any of the following activities: (1) Seeking an opportunity to pursue personal gain by using company property or information or taking advantage of their positions. (2) Obtaining personal gain by using compa-</p>	<p>In accordance with the establishment of the Audit Committee for our company's public offering, delete any references to the supervisor.</p>

Pre-amendment article	Post-amendment article	Reason for revision
<p>ing personal gain by using company property or information or taking advantage of their positions. (3) Competing with the company. When the Company has an opportunity for profit, it is the responsibility of the directors, <u>supervisors</u>, or managers to maximize the reasonable and proper benefits that can be obtained by the company.</p> <p>III. Confidentiality</p> <p>The directors, <u>supervisors</u>, or managers of our company shall be bound by the obligation to maintain the confidentiality of any information regarding the company itself or its suppliers and customers, except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to our company or the suppliers and customers.</p> <p>IV. Fair trade</p> <p>The directors, <u>supervisors</u>, or managers of the company shall treat all suppliers and customers, competitors, and employees of our company fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.</p> <p>V. Safeguarding and proper use of company assets</p> <p>The directors, <u>supervisors</u>, or managers of the company have the responsibility to safeguard our company assets and to ensure that they can be effectively and lawfully used for official business purposes. Any theft, negligence in care, or waste of the assets will all directly impact the company's profitability.</p> <p>VI. Legal compliance</p> <p>Our company continues promoting that the directors, <u>supervisors</u>, or man-</p>	<p>ny property or information or taking advantage of their positions. (3) Competing with the company. When the Company has an opportunity for profit, it is the responsibility of the directors or managers to maximize the reasonable and proper benefits that can be obtained by the company.</p> <p>III. Confidentiality</p> <p>The directors or managers of our company shall be bound by the obligation to maintain the confidentiality of any information regarding the company itself or its suppliers and customers, except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to our company or the suppliers and customers.</p> <p>IV. Fair trade</p> <p>The directors or managers of the company shall treat all suppliers and customers, competitors, and employees of our company fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.</p> <p>V. Safeguarding and proper use of company assets</p> <p>The directors or managers of the company have the responsibility to safeguard our company assets and to ensure that they can be effectively and lawfully used for official business purposes. Any theft, negligence in care, or waste of the assets will all directly impact the company's profitability.</p> <p>VI. Legal compliance</p> <p>Our company continues promoting that the directors or managers of the company shall comply with the Securities and Exchange Act and other ap-</p>	

Pre-amendment article	Post-amendment article	Reason for revision
<p>agers of the company shall comply with the Securities and Exchange Act and other applicable laws, regulations, and bylaws.</p> <p>VII. Encouraging reporting on illegal or unethical activities</p> <p>The Company shall raise awareness of ethics internally and encourage employees to report to a company <u>supervisor</u> manager, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct. To encourage employees to report on illegal conduct, our company shall establish a concrete whistle-blowing system and make employees aware that the company will use its best efforts to ensure the safety of informants and protect them from reprisals.</p> <p>VIII. Disciplinary measures</p> <p>When a director, <u>supervisors</u> or manager violates the code of ethical conduct, our company shall handle the matter in accordance with the disciplinary measures prescribed in the code and shall promptly disclose on the Market Observation Post System (MOPS) the date of the violation by the violator, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken. The Company shall establish a relevant complaint system to provide the violator with remedies.</p>	<p>plicable laws, regulations bylaws.</p> <p>VII. Encouraging reporting on illegal or unethical activities</p> <p>The Company shall raise awareness of ethics internally and encourage employees to report to a company manager, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct. To encourage employees to report on illegal conduct, our company shall establish a concrete whistle-blowing system and make employees aware that the company will use its best efforts to ensure the safety of informants and protect them from reprisals.</p> <p>VIII. Disciplinary measures</p> <p>When a director or manager violates the code of ethical conduct, our company shall handle the matter in accordance with the disciplinary measures prescribed in the code and shall promptly disclose on the Market Observation Post System (MOPS) the date of the violation by the violator, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken. The Company shall establish a relevant complaint system to provide the violator with remedies.</p>	
<p>Article 3: Procedures for exemption</p> <p>The code of ethical conduct adopted by the Company must require that any exemption for directors, <u>supervisors</u> or managers from compliance with the code be adopted by a resolution of the board of directors, in order that the shareholders may evaluate the appropriateness of the board resolution to forestall any arbitrary or dubious exemption from the code, and to safeguard the interests of the company by ensuring appropriate mechanisms for</p>	<p>Article 3: Procedures for exemption</p> <p>The code of ethical conduct adopted by the Company must require that any exemption for directors or managers from compliance with the code be adopted by a resolution of the board of directors, in order that the shareholders may evaluate the appropriateness of the board resolution to forestall any arbitrary or dubious exemption from the code, and to safeguard the interests of the company by ensuring appropriate mechanisms for controlling any</p>	<p>In accordance with the establishment of the Audit Committee for our company's public offering, delete any references to the supervisor.</p>

Pre-amendment article	Post-amendment article	Reason for revision
controlling any circumstance under which such an exemption occurs.	circumstance under which such an exemption occurs.	
Article 4: Method of disclosure Our company, <u>after TWSE/TPEX listed</u> , shall disclose the <u>code of ethical conduct it has adopted</u> , and any amendments to it, on its official website, in its annual reports, prospectuses and on the MOPS.	Article 4: Method of disclosure Our company shall disclose <u>this</u> code of conduct and any amendments to it, on its official website, in its annual reports and prospectuses and on the MOPS.	Delete relevant text in accordance with our company's listing plan.
Article 5: Supplementary Provisions The code of conduct shall be implemented after the board of directors grants the approval and shall be <u>sent to the supervisors</u> and reported at a shareholders' meeting. The same procedure shall be followed when the principles have been amended.	Article 5: Supplementary Provisions The code of conduct shall be implemented after the board of directors grants the approval and shall be reported at a shareholders' meeting. The same procedure shall be followed when the principles have been amended.	In accordance with the establishment of the Audit Committee for our company's public offering, delete any references to the supervisor.

Foxtron Vehicle Technologies Co., Ltd.
Rules of Procedures for Shareholders' Meetings

Article 1 : To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders' meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2 : The rules of procedures for this Corporation's shareholders' meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3 : Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.

Unless otherwise provided in “Regulations Governing the Administration of Shareholder Services of Public Companies”, the company convene a virtual shareholders' meeting shall pursuant to a resolution adopted by a majority vote of a meeting of the board of directors attended by two-thirds or more of all the directors.

Changes to how this Corporation convenes its shareholders' meeting shall be resolved by the board of directors and shall be made no later than mailing of the shareholders' meeting notice.

This Corporation 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) before 30 days before the date of a regular shareholders' meeting or before 15 days before the date of a special shareholders' meeting. This Corporation shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders' meeting or before 15 days before the date of the special shareholders' meeting. If, however, this Corporation has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders' meetings held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders' meetings. In addition, before 15 days before the date of the shareholders' meetings, this Corporation shall also have prepared the shareholders' meetings agenda and supplemental meeting materials and made them available for

review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby.

This Corporation shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders' meetings:

1. For physical shareholders' meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders' meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For virtual-only shareholders' meetings, electronic files shall be shared on the virtual meeting platform.

The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

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 corporation, or any matter under Article 185, paragraph 1 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' meetings. None of the above matters may be raised by an extraordinary motion.

Where reelection of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders' meetings, after the completion of the reelection 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 this Corporation 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. 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 corporation 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, this

Corporation shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

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

Prior to the date for issuance of notice of a shareholders' meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders' meetings 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 this Corporation 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 this Corporation before five days before the date of the shareholders' meetings. 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 this Corporation, 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 this Corporation before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

If, after a proxy form is delivered to this Corporation, a shareholder wishes to attend the shareholders' meeting online, a written notice of proxy cancellation shall be submitted to this Corporation 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 : The venue for a shareholders' meeting shall be the premises of this Corporation, 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.

The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders' meeting.

Article 6 : This Corporation shall specify in its shareholders' meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

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. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders' meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders' meetings in person.

Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation 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.

This Corporation 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.

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

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

In the event of a virtual shareholders' meeting, shareholders wishing to attend the meeting online shall register with this Corporation two days before the meeting date.

In the event of a virtual shareholders' meeting, this Corporation shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 6-1 : To convene a virtual shareholders' meeting, this Corporation shall include the following particulars in the shareholders' meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:

- A. To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
 - B. Shareholders not having registered to attend the affected virtual shareholders' meetings shall not attend the postponed or resumed session.
 - C. In case of a hybrid shareholders' meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders' meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.
 - D. Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.
3. To convene a virtual-only shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified. Except for the Item 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the communication equipment shall be provided to shareholders and give the assistance if necessary, and the period during which the shareholder may apply to this Corporation and other relevant precautions shall be specified.

Article 7 : If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair.

When a director serves as chair, as referred to in the preceding paragraph, the 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 chairperson of the board in person and attended by a majority of the directors, at least one independent director in person, and at least one member of

each functional committee on behalf of the committee. 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.

This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.

Article 8 : This Corporation, 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' meetings, 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 recording shall be retained until the conclusion of the litigation.

Where a shareholders' meeting is held online, this Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by this Corporation during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders' meeting, this Corporation is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 9 : Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, 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 and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

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. In the event of a virtual shareholders' meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month. In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 6.

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 : If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. 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, call for a vote, and schedule sufficient time for voting.

Article 11 : 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 juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.

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

Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

Article 12 : Voting at a shareholders' meeting shall be calculated based 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 this Corporation, 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 Article 179, paragraph 2 of the Company Act.

When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation 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 this Corporation before two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

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

Except as otherwise provided in the Company Act and in this Corporation'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. When a proposal comes to a vote at a shareholders' meeting, if the chair puts the matter before all shareholders present at the meeting and none voices an objection, the matter is deemed approved. 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 while the shareholder raises objections to the proposal. 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 this Corporation.

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.

When this Corporation convenes a virtual shareholders' meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders' meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When this Corporation convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders' meeting in person, they shall revoke their registration two days before the shareholders' meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders' meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders' meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article 14 : The election of directors or independent directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and independent directors and the numbers of votes with which they were elected, and the names of directors and independent directors not elected and number of votes they received.

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 meeting minutes may be produced and distributed in electronic form.

This Corporation 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 (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or independent directors. The minutes shall be retained for the duration of the existence of this Corporation.

Where a virtual shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders' meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders' meeting online.

Article 16 : On the day of a shareholders' meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting. In the event a virtual shareholders' meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During this Corporation's virtual shareholders' meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the 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 (or Taipei Exchange Market) regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17 : Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

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

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue. A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 19 : In the event of a virtual shareholders' meeting, this Corporation shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 20 : When this Corporation convenes a virtual-only shareholders' meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article 21 : In the event of a virtual shareholders' meeting, this Corporation may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical is-

sues.

In the event of a virtual shareholders' meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders' meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders' meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders' meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders' meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and independent directors.

When this Corporation convenes a hybrid shareholders' meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders' meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.

When postponing or resuming a meeting according to the second paragraph, this Corporation shall handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporation shall handle the matter based on the date of the shareholders' meeting that is postponed or resumed under the second paragraph.

Article 22 : When convening a virtual-only shareholders' meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online.

Except for the Item 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the communication equipment shall be provided to shareholders' and give the assistance if necessary, and the period during which the shareholder may apply to the company and other relevant precautions shall be specified.

Article 23 : These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.

Appendix 2

Foxtron Vehicle Technologies Co., Ltd.

Articles of Incorporation

Chapter 1 – General Provisions

Article 1 : This company, organized under the Company Act as a Company limited by shares, and shall be named Foxtron Vehicle Technologies Co., Ltd. (hereinafter, “the Company”).

Article 2 : The Company’s scope of business is as follows:

1. I501010 Product Designing
2. I599990 Other Designing
3. F601010 Intellectual Property Rights
4. IG02010 Research and Development Service
5. F401010 International Trade
6. CD01030 Motor Vehicles and Parts Manufacturing
7. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories
8. F114010 Wholesale of Motor Vehicles
9. F106030 Wholesale of Molds
10. I301030 Electronic Information Supply Services
11. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3 : The Company is headquartered in New Taipei City, Taiwan and when necessary, may establish branches at home and abroad according to resolutions by the board of directors.

Article 3-1 : The total amount of the Company's investment in other companies is exempted from prohibition against exceeding 40 percent of paid-up capital described in Article 13 of the Company Act.

Article 4 : Public announcements of the Company shall be made in accordance with the provisions of Article 28 of the Companies Act.

Article 5 : This Company may make guarantees for its business operations.

Chapter 2 – Shares

Article 6 : The authorized capital of the Company capital is NT\$25 billion divided into 2.5 billion shares at par value of NT\$10 per share. The board of directors is authorized to issue the shares in separate installments as required, of which 200 million shares are reserved for stock options with warrants. The board of directors is also authorized to issue the shares in separate installments as required.

Article 7 : The Company's shares certificates shall be registered ones in all cases and shall be serially numbered, bearing statutory elements, to be duly signed and stamped with seals by directors representing the Company, duly affixed with official seal of the Company and be duly verified by the verifier bank who is entitled to act as stock issuer according to law. For the shares to be issued by the Company, the Company is exempted from printing physical share certificates. For the shares, nevertheless, the Company shall apply to the Taiwan Depository and Clearing Corporation (TDCC) for registry as well as other securities.

Article 8 : The entries in the shareholders' roster are handled under Article 165 of the Company Act.

Article 9 : All stock processing and related activities, unless otherwise specified by laws and regulations, shall follow the "Regulations Governing the Administration of Shareholder Services of Public Companies".

Article 10 : The Company may transfer stock to employees at a price that is lower than the actual average price of the shares, or the Company may issue employee stock options at a price that is lower than the common stock closing price of the issue date, pursuant to a resolution approved by the majority of total issued shares represented at the shareholders' meeting and the consent of more than two-thirds of the attending shareholders' voting rights.

When the Company issues employee stock options, restricted stock for employees, new shares reserved for subscription by employees and transfers treasury stock to employees, the employees of subsidiaries of the Company may be included. Qualification requirements of the employees who are entitled to receive it may be set and specified by the Board of Director.

Chapter 3 – Shareholders' Meeting

Article 11 : The Company's special shareholders' meetings are classified into the two categories below:

1. Regular shareholders' meeting: To be duly convened once per year, within six months from closure of every fiscal year.
2. Special shareholders' meeting: to be duly convened in accordance with the Company Act whenever considered necessary.

Article 12 : To convene a shareholders' meeting is handled under Article 172 of the Company Act.

The shareholders' meeting shall be convened by the board of directors. The chairman of the board shall be the chairman presiding at the meeting. If the chairman of the board is on leave or cannot perform his/her duties for some reason, pursuant to Article 208 of the Company Act, the shareholders' meeting shall be convened by others who have the right to convene a meeting and he/she shall be the chairman. If there is more than one person with the rights to convene a shareholders' meeting, they shall nominate a chairman from among themselves.

Article 13 : A shareholder who is unavailable to participate in a shareholders' meeting in person may issue the proxy form in the format printed by the Company and shall specify the scope of authorized power to appoint a proxy to participate in the meeting on his or her behalf.

Proxy for the meeting of shareholders shall be duly handled in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" and Article 177 of the Company Act.

Article 14 : Each share held by a participating shareholder is entitled to one voting power unit unless otherwise specified in the Company Act.

Article 15 : Unless otherwise specified in the Company Act, a shareholders' meeting shall not be convened until attended by shareholders representing one half majority of the total outstanding shares. A decision in a shareholders' meeting shall be duly resolved by one half majority of the attending shareholders.

The electronic transmission shall be adopted as one of the methods for exercising the voting power in accordance with Article 177 -1 of the Company Act. A shareholder who exercises his/her/its voting power at a shareholders meeting in writing or by way of electronic transmission shall be deemed to have attended the said shareholders' meeting in person.

Article 16 : The shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority. The shareholders taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 17 : Resolutions adopted at a shareholders' meeting shall be recorded in the minutes, which shall be affixed with the signature or seal of the chairman of the meeting in accordance with Article 183 of the Company Act.

Chapter 4 – Board of Directors, Audit Committee and Managerial Officers

Article 18 : The Company shall have nine directors including four independent directors with three-year office term. All directors are elected and appointed by the shareholders' meeting from candidates in accordance with the candidate nomination system of Article 192-1 of the Company Act.

The Company's Board of Directors may set up a variety of functional committees. Those functional committees shall duly enact rules and regulations to be enforced which shall be

put into enforcement after being resolved in the Board of Directors.

The Company shall establish an Audit Committee. The Audit Committee or the members of Audit Committee shall be responsible for those responsibilities of Supervisors specified under the Securities and Exchange Act and other relevant laws and regulations.

Article 19 : The directors shall organize the board of directors. By attendance of two-thirds majority of directors and by a majority vote of the attending directors, one chairman shall be duly elected from among the directors. The Company may, as well, have one vice chairman to be elected from among the directors in the same manner. The chairman shall represent the Company in external matters.

Article 20 : Unless otherwise provided for in the Company Act, resolutions of the Board of Directors shall be adopted by majority of the directors at a meeting attended by majority of the directors.

Unless otherwise provided for in the Company Act, meetings of the board of directors shall be convened by the chairman in every three months. The meeting notice shall specify the reasons for convening the meeting and shall be sent to the directors by mail, e-mail, fax at least 7 days prior to the meeting. In emergency circumstances, however, a meeting may be called on shorter notice.

Article 21 : The Chairman of the Board of Directors shall preside over all meetings of Directors. Where the chairman of the board of directors is on leave or cannot exercise his powers or perform his duties for any reason, an acting chairman shall be designated in accordance with Article 208 of the Company Act. Where a director is unable to attend the meeting of the board of directors, he may appoint another director as his proxy to attend the meeting by issuing a letter of proxy. Each director can act as a proxy for only one other director.

The board of directors can be held by means of visual communication network. The director taking part in such a visual communication meeting shall be deemed to have attended the meeting in person. The authorities of the board of directors are as follows:

1. The Company's business focus, business and long-term development plans, annual operation plan and investment business plan shall be decided by the board of director.
2. Propose to the budgets and final account settlement.
3. Propose to increase or decrease Company capital.
4. Propose profit distribution or a plan for loss off-setting.
5. Propose the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees" and major internal regulations.
6. Propose external endorsements and guarantees.
7. To establish branch offices or terminate branch offices.
8. To appoint or remove the president and/or the vice president.

9. To hire or dismiss an attesting CPA

10. The authorities pursuant to Article 202 of the Company Act.

Article 22 : The board of directors is authorized with full power to determination the amount of remuneration to directors in accordance with their individual contribution to the Company with reference to the standards/criteria prevalent in the counterpart peers in the same industry.

The Company may buy the Responsibility Insurance for the Directors who have to be responsible for the damages caused by their duties.

Article 23 : This Company may have managerial officers and remuneration of theirs shall be made in accordance with Article 29 of the Company Act.

Chapter 5 – Accounting

Article 24 : The Company's fiscal year is starting from January 1 until December 31 of every calendar year. At the end of each business fiscal Year, the Business Report, Financial Report and Proposal of Appropriation of Net Profit or loss off-setting proposals shall be prepared by the board of directors and shall be submitted to the shareholders' meeting for approval.

Article 25 : The reviewed financial report of independent accounts should be submitted to directors within fifteen days.

Article 26 : Where there is profit at the end of each fiscal Year, after covering the accumulated losses, 5%-7% of the profit shall be distributed as employees' remuneration. Directors' remuneration is zero.

The employees' remuneration in the previous section may be distributed in the form of either cash or stock bonus and may be distributed to the employees of subsidiaries of the Company. Qualification requirements of the employees who are entitled to receive the employees' remuneration may be specified by the Board of Directors.

A company may, by a resolution adopted by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors, have the profit distributable as employees' remuneration in the preceding paragraphs distributed in the form of shares or in cash; and in addition, there to a report of such distribution shall be submitted to the shareholders' meeting.

Article 27 : The Company shall, upon closing of accounts, if there is surplus profit, after paying all taxes and dues and making up all losses for the proceeding years, set aside 10 percent of such profits as legal reserve. Nevertheless, when the amount of legal reserve has reached the total amount of paid-in capital, the above may not apply. The remainder profits plus non-distributed earnings accumulated from previous period shall also be set aside as special reserve or reversed special reserve. If there still profits, in accumulation undistributed earnings, the board will scheme distribution plan, and have it submitted to the shareholders' meeting to determine the bonus to shareholders.

The Board of Directors of the Company may determine to distribute all or part of dividends, bonus, legal reserve or additional paid-in capital in cash by the resolution of the Board of Directors Meeting attended by a majority vote at a meeting of board of directors attended by two-thirds of the total number of the attended Directors and may report to the Shareholders' Meeting. This paragraph is exempted from the provision that shall be approved by the Shareholders' Meeting in the preceding paragraph.

Article 28 : Given such facts notably the Company's profitability, future operating plans, funding needs and changes in the industrial environments and taking into account the long-term shareholders' equity and the Company's long-term financial planning, the Company's dividend distribution plan is mapped out not below 30% of the total surplus available for distribution in the current year in principle. The dividends are distributed in either cash or in stocks among which the proportion of cash dividends shall not be less than 10% of the aggregate total dividends.

Article 29 : Unless otherwise agreed, if there is surplus property after the liquidation of the company, it shall be distributed among the shareholders in proportion to their shareholding.

Chapter 6 – Supplementary Provisions

Article 30 : Matters not specified in this Agreement, if any, shall be duly handled in accordance with the Company Act and other laws and ordinances concerned.

Article 31 : This Articles of Incorporation was created on September 23, 2020;

The 1st amendment was made on January 16, 2023;

The 2nd amendment was made on October 17, 2023.

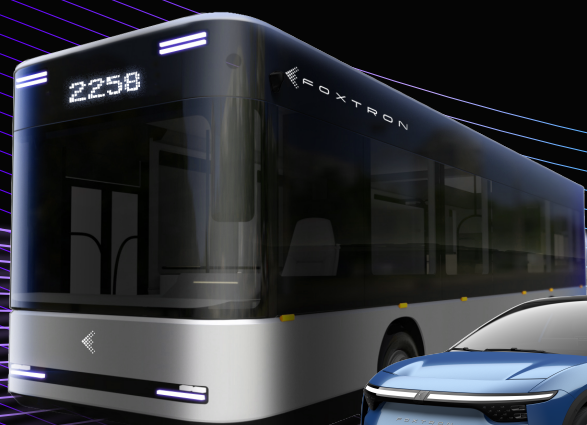
Foxtron Vehicle Technologies Co., Ltd.
Shareholdings of Directors

I. Minimum Shareholdings of Directors as of March 25,2024

Title	Minimum number of shares to be held	Shares actually held in share register
Director	41,791,536	1,557,600,000

II. Current shareholdings of Directors as of March 25,2024

Title	Name	Shares actually held in share register
Chairman	HON HAI PRECISION IND. CO., LTD. Representative : Liu, Young-Way	794,400,000
Vice Chairman	Hua-Chuang Automobile Information Technical Center Co., Ltd. Representative : Tso, Chi-Sen	763,200,000
Director	HON HAI PRECISION IND. CO., LTD. Representative : Seki Jun	794,400,000
Director	Hua-Chuang Automobile Information Technical Center Co., Ltd. Representative : Yao, Zhen-Xiang	763,200,000
Director	HON HAI PRECISION IND. CO., LTD. Representative : Huang, Ying-Shih	794,400,000
Independent Director	Sonia Sun	0
Independent Director	Hsiao, Hsing-Chin	0
Independent Director	Lin, Bor-Tsuen	0
Independent Director	Hwang, Hsiu-Ying	0



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