2026 Annual General Meeting of Shareholders Minutes of Nankang Rubber Tire Co., Ltd.

Meeting Type: Physical Shareholders' Meeting

Date & Time: 9:00 AM, Tuesday, May 26, 2026

Location: Xinfeng Plant (No. 399, Xinxing Rd., Xinfeng Township, Hsinchu County)

Shares Present: Total shares represented by shareholders and proxies present: 393,886,493 shares (including 45,516,060 shares exercised via electronic voting), accounting for 54.47% of the Company's total 723,069,309 issued shares (excluding 10,865,595 treasury shares).

Directors Present: 3 directors attended: Chairman Lin-Liang Kuo , Director Heng -Kuan Chen, and Independent Director Szu -Yi Wu.

Chairman: Lin-Liang Kuo , Chairman

Attendees (Non-voting): Attorney Meng-Chen Chiang, Chien -Lu Law Office , CPA Li-Chen Peng, Baker Tilly Clock & Co Certified Public Accountants

Company Executives: Mei-Hang Kuo , Associate Vice President of Finance Dept. , Yuan-Sheng Wu, Associate Vice President of Design Dept. , Yi -Chih Hung, Associate Vice President of Nan Jung Development Co., Ltd. , Che-Lung Hsu, Deputy Plant Manager of Xinfeng Plant

Secretary: Yin-Feng Chen

I. Meeting Called to Order: The Secretary reported that the total number of shares represented by shareholders present reached the statutory quorum, and the Chairman called the meeting to order in accordance with the law.

II. Chairman's Address: (Omitted)

III. Report Items

i. 2025 Business Report (Please refer to Attachment 1)

Meeting Proceedings: No questions were raised by shareholders.

ii. 2025 Audit Committee's Review Report (Please refer to Attachment 2)

Meeting Proceedings: No questions were raised by shareholders.

1. Report on the lending of funds and endorsement guarantees for the 2025 . (See Attachment 3)

Agenda: No questions from shareholders.

1. Report on the distribution of employee compensation for 2025 (including frontline staff).

Explanation:

1. Before allocating employee compensation in 2025, the company's profit was NT$984,512,577. According to Article 21 of the Articles of Incorporation, 0.1% of employee compensation was allocated, totaling NT$984,512, and distributed in cash.
2. Of the aforementioned employee remuneration amount, 30% is proposed according to the bylaws to be allocated for frontline staff remuneration, totaling NT$295,354
3. Employee compensation is limited to full-time employees of the Company and its subsidiaries, and the method and related matters are fully authorized by the Chairman.

Agenda: No questions from shareholders.

1. Report on Directors' Remuneration for 2025.

Explanation:

2. The company's policy on remuneration to directors is based on the "Articles of Incorporation" and the "Regulations Governing the Management of Remuneration and Bonuses for Directors and Managers." For related policies, individual remuneration details, and amounts, please refer to Appendix 4.
3. In 2025, the company's directors' remuneration was NT$4,377,160 (excluding related remuneration

received by part-time employees), accounting for approximately 0.54% of net profit after tax.

Agenda: No questions from shareholders.

1. Report on Cash Dividend Distribution for Fiscal Year 2025. (See Attachment 5)

Agenda: No questions from shareholders.

1. Report on the execution status of treasury share buybacks. (See Attachment 6)

Agenda: No questions from shareholders.

1. Approval Items:

(The proportion of voting rights in favor, against, abstentions, invalid, and unavailable votes to the voting rights of attending shareholders is calculated by rounding down to the second decimal place, so there may be fractional differences, resulting in a total of 100.00% .)

First case

Subject: Proposal to approve the Company's 2025 Annual Business Report, Financial Statements, and Earnings Distribution (Table). (Proposed by the Board of Directors).

Explanation:

1. The Company's financial statements for the year 2025 (individual and consolidated financial statements) have been prepared and audited and certified by CPAs Li-Chen Peng and Chi-Ping Lin of Baker Tilly Clock & Co.
2. For the 2025 business report, profit distribution statement, individual and consolidated audit reports of certified public accountants, and financial statements (individual and consolidated financial statements), please refer to Attachments 1, 5, and 7~8.

Agenda: No questions from shareholders.

Resolution: This proposal is approved as proposed after a vote .

The results of the voting are as follows:

Number of voting rights at the time of voting	Supporting the authority of authority and strategy	Opposition weight	Number of abstentions/non-voting rights	Invalid weights and numbers
393,886,493	386,253,238	1,009,450	6,623,805	0
	98.06%	0.25%	1.68%	0.00%

1. Discussion Topics:

(The proportion of voting rights in favor, against, abstentions, invalid, and unavailable votes to the voting rights of attending shareholders is calculated by rounding down to the second decimal place, so there may be fractional differences, resulting in a total of 100.00% .)

First case

Proposal: Amendment to the Company's "Director Election Procedures." (Proposed by the Board of Directors).

Explanation:

1. In response to legal amendments, it is proposed to abolish the original "Director Election Procedures" amended on May 13, 2020, and to newly establish and rename the "Director Election Procedures."
2. For relevant provisions, please refer to Attachment 9 .

Agenda: No questions from shareholders .

The results of the voting are as follows:

Number of voting rights at the time of voting	Supporting the authority of authority and strategy	Opposition weight	Number of abstentions/non-voting rights	Invalid weights and numbers
393,886,493	385,042,130	1,087,240	7,757,123	0
	97.75%	0.27%	1.96%	0.00%

Resolution: This proposal is approved as proposed after a vote .

The second case

Agenda Item: Proposal to Amend the Company's "Rules of Procedure for Shareholders' Meetings." (Proposed by the Board of Directors)

Explanation:

一、According to Letter No. 11500029701 of the Taiwan Securities Governance Letter, in order to establish a sound shareholders' meeting governance system for the Company, relevant provisions are hereby amended .

二、A comparison table before and after the revision is as follows :

Article	Before the revision	After revision	Revision notes
Article 3	(Paragraphs 1 to 2 omitted) The Company shall, thirty days before the shareholders' meeting or fifteen days before the extraordinary shareholders' meeting, prepare electronic files of the shareholders' meeting notice, proxy form, and related proposals, proposals, discussions, appointment or dismissal of directors, supervisors, and other proposals, as well as explanatory materials, and send them to the Market Observation Post System. At least twenty-one days before the annual	(Paragraphs 1 to 2 omitted) The Company shall, thirty days before the shareholders' meeting or fifteen days before the extraordinary shareholders' meeting, prepare electronic files such as the notice of shareholders' meeting, proxy form, the reasons and explanatory materials related to approvals, discussions, appointment or dismissal of directors, the shareholders' meeting handbook, and supplementary materials for the meeting, and send them to the Market Observation	In line with legal revisions.

Article	Before the revision	After revision	Revision notes
	shareholders' meeting or fifteen days before the extraordinary shareholders' meeting, prepare electronic files of the shareholders' meeting handbook and supplementary materials and send them to the Market Observation Post System. Fifteen days before the shareholders' meeting, prepare the meeting handbook and supplementary materials for shareholders to review at any time, display them at the company and its stock affairs agent, and distribute them at the meeting. (Omitted below)	Post System. them on the Company and the professional stock affairs agent appointed by the Company. (Omitted below)	

Agenda: No questions from shareholders.

The results of the voting are as follows:

Number of voting rights at the time of voting	Supporting the authority of authority and strategy	Opposition weight	Number of abstentions/non-voting rights	Invalid weights and numbers
393,886,493	385,081,906	1,084,148	7,720,439	0
	97.76%	0.27%	1.96%	0.00%

Resolution: This proposal is approved as proposed after a vote .

IV. Interim motion: None .

Agenda: No shareholder speeches .

1. The chairman announced the adjournment (at 9:17 am on the same day)

The minutes of this shareholders' meeting only state the main points of the meeting and only the results of the proposals; The content, procedures, and shareholder speeches of the meeting shall be based on the video of the meeting .

2025 Business Status Report

1. Consolidated Production and Sales Report:
    1. Production - Tires: In 2025, actual production volume was 6,517,000 units, up 0.28% from 6,499,000 units in the same period last year.
    2. Sales - Tires:
        1. Tire Domestic Sales: Sales in 2025 amounted to NT$1060231000, up 0.19% from NT$1058176000 in the same period last year.
        2. Tire exports: Sales in 2025 amounted to NT$7212260000, down 9.16% from NT$7939843000 in the same period last year.
        3. Consolidated tire sales subtotal: In 2025, both domestic and export sales amounted to NT$8272491000, down 8.06% from NT$8998019000 in the same period last year.
    3. Sales - Construction: Nanrong Development Subsidiary's sales amount for 2025 was 159498000 NTD, and for 2024, sales amounted to NT$5,225,500.
    4. Consolidated Sales (Tires + Construction) Total: Total sales for 2025 were NT$8431989000, down 44.61% from NT$15223519000,000 in the same period last year.

Appendix 1: 2014 Annual Business Report

1. Concise financial information report :

Unit: NTD / Thousand NTD

item	Individual - 2025		Merger - 2025	
	amount	%	amount	%
Operating revenue	6,751,520	100	8,431,989	100
Net operating gross profit	1,018,355	15	1,809,003	twenty two
operating expenses	(834,283)	(12)	(1,230,183)	(15)
Operating profit (loss)	184,072	3	578,820	7
Pre-tax Net Profit (Net Loss)	983,528	15	1,046,232	13
Income tax benefit (Cost)	(173,744)	(3)	(236,448)	(3)
Net profit after tax (loss)	809,784	12	809,784	10
Earnings per share (loss)	1.01 yuan	-	1.01 yuan	-
Total assets	23,382,717	-	54,280,247	-
Total liabilities	10,716,244	-	41,613,774	-
Total shareholders' equity	12,666,473	-	12,666,473	-

Audit Committee Audit Report for 2025

Audit Committee Review Report

The Board of Directors prepared the 2025 Annual Report, Financial Statements (including individual and consolidated financial statements) and Profit Distribution Proposal. The financial statements (including individual and consolidated financial statements) were audited by Certified Public Accountants Peng Lizhen and Lin Qiping of Zhengfeng United Certified Public Accountants, and an audit report was issued.

The aforementioned business report, financial statements, and profit distribution proposal have been reviewed by this Audit Committee and are deemed to be in compliance with the relevant laws and regulations. Therefore , this report is issued in accordance with the relevant laws and regulations.

Please

Verification

Above

The Company's 2026 Annual General Meeting

Appendix 3 : Report on Loans to Others and Endorsements/Guarantees in 2014

Nankang Tire Co., Ltd.

Audit Committee

Convenor: Wu Siyi

吳思儀

Republic of China, March 11, 2026

Appendix 3 : Report on Loans to Others and Endorsements/Guarantees in 2014

Report on Funds Lending to Others and Endorsement Guarantees in 2025

(1) Funds Loan Details:

Unit: New Taiwan Dollars (NTD) / Thousand

Funds lending company	Lending to	Funds and Loan Limits		Actual moving support		Funds lending reason	Remark
		This issue Maximum amount	Final Exam Balance	This issue Maximum amount	Final Exam Balance		
Nankang Tire (Stock) Company	Nanrong Development Construction (Stock) Company	700,000	700,000	310,000	310,000	Operating turnover	
Our company total			**700,000**		**310,000**		
Nankang International (Stock) Company	Nankang Tire (Stock) Company	564,485	534,310	541,530	50,288	Operating turnover	
Southport Tires Singapore Pte Ltd	Nankang Tire (Stock) Company	628,600	628,600	314,300	314,300	Operating turnover	
Subsidiaries			**1,162,910**		**364,588**		

Note:

(1) The maximum amount of funds that the Company lends to external parties is RMB 5,066,589,000.

(2) Nankang Tire (Stock) Company's loan to Nanrong Development & Construction (Stock) Company had an ending balance of NT$700,000 and an actual cash outflow of NT$310,000.

(3) The outstanding balance of Nankang International (Stock) Company's funds loan to Nankang Tire (Stock) Company at the end of the period was USD17,000,000, and the actual withdrawal balance was USD1,600,000.

(4) Southport Tire Singapore Pte Ltd lent USD 20,000 to Southport Tire (Shares) Company at the end of the period, with an actual withdrawal balance of USD 10,000.

(2)Endorsement Guarantee Details:

Unit: New Taiwan Dollars (NTD) / Thousand

Endorsement and Guarantee Company	Endorsement Guarantee	Endorsement guarantee amount		Actual moving support		Remark
		This issue Maximum amount	Final Exam Balance	This issue Maximum amount	Final Exam Balance	
Nankang Tire (Stock) Company	Nankang International (Stock) Company	747,498	590,130	624,000	484,000	

Appendix 3 : Report on Loans to Others and Endorsements/Guarantees in 2014

Nankang Tire (Stock) Company	Nanrong Development Construction (Stock) Company	1,900,000	1,900,000	1,163,000	1,163,000	
Nankang Tire (Stock) Company	Zhikai Development (Stock) Company	33,350	33,350	33,350	33,350	
Nankang Tire (Stock) Company	Yuanrui Development Industry (Stock) Company	16,650	16,650	16,650	16,650	
Our company total			**2,540,130**		**1,697,000**	
Nanrong Development Construction (Stock) Company	Nankang Tire (Stock) Company	7,000,000	7,000,000	7,000,000	7,000,000	
Subsidiaries			**7,000,000**		**7,000,000**	

Note : The maximum amount of the guarantee that our company can provide to external parties is RMB 12,666,473,000 .

Appendix 4: 2014 Directors' Remuneration Report

Remuneration received by directors (including independent directors) for the year 2025

job title	Name	Directors' remuneration								The total amounts of items A, B, C, and D, and their proportions to after-tax net profit (Note 10).		Part-time employees receive related remuneration								The total amounts of items A, B, C, D, E, F, and G, and their percentages of after-tax net profit (Note 10).		Remuneration received from investments other than subsidiaries or from the parent company (Note 11)
		Compensation (A) (Note 2)		Retirement pension (B)		Directors' remuneration (C) (Note 3)		Business execution expenses (D) (Note 4)				Salary, bonuses, and special allowances, etc. (E) (Note 5)		Retirement pension (F)		Employee compensation (G) (Note 6)						
		Our company	All companies listed in the financial reports (Note 7)	Our company	All companies listed in the financial reports (Note 7)	Our company	All companies listed in the financial reports (Note 7)	Our company	All companies listed in the financial reports (Note 7)	Our company	All companies listed in the financial reports (Note 7)	Our company	All companies listed in the financial reports (Note 7)	Our company	All companies listed in the financial reports (Note 7)	Our company		All companies listed in the financial reports (Note 7)		Our company	All companies listed in the financial reports (Note 7)	
																Cash amount	Stock Amount	Cash amount	Stock Amount			
Chairman	Quanye Investment (Stock) Company Representative: Guo Linliang	240,000	613,560	0	0	0	0	60,000	90,000	300,000 0.04%	703,560 0.09%	3,262,330	4,295,130	0	0	0	0	0	0	3,562,330 0.44%	4,998,690 0.62%	none
director	Quanye Investment (Stock) Company Representative: Lin Junying	240,000	253,560	0	0	0	0	54,000	54,000	294,000 0.04%	307,560 0.04%	1,357,733	1,357,733	66,312	66,312	3,739	0	3,739	0	1,721,784 0.21%	1,735,344 0.21%	none
director	Quanye Investment (Stock) Company Representative: Chen Hengkuan	253,720	373,720	0	0	0	0	54,000	54,000	307,720 0.04%	427,720 0.05%	0	0	0	0	0	0	0	0	307,720 0.04%	427,720 0.05%	none

Appendix 4: 2014 Directors' Remuneration Report

job title	Name	Directors' remuneration								The total amounts of items A, B, C, and D, and their proportions to after-tax net profit (Note 10).		Part-time employees receive related remuneration								The total amounts of items A, B, C, D, E, F, and G, and their percentages of after-tax net profit (Note 10).		Remuneration received from investments other than subsidiaries or from the parent company (Note 11)
		Compensation (A) (Note 2)		Retirement pension (B)		Directors' remuneration (C) (Note 3)		Business execution expenses (D) (Note 4)				Salary, bonuses, and special allowances, etc. (E) (Note 5)		Retirement pension (F)		Employee compensation (G) (Note 6)						
		Our company	All companies listed in the financial reports (Note 7)	Our company	All companies listed in the financial reports (Note 7)	Our company	All companies listed in the financial reports (Note 7)	Our company	All companies listed in the financial reports (Note 7)	Our company	All companies listed in the financial reports (Note 7)	Our company	All companies listed in the financial reports (Note 7)	Our company	All companies listed in the financial reports (Note 7)	Our company		All companies listed in the financial reports (Note 7)		Our company	All companies listed in the financial reports (Note 7)	
																Cash amount	Stock Amount	Cash amount	Stock Amount			
director	Quanye Investment (Stock) Company Representative: Huang Jiaying	253,720	253,720	0	0	0	0	60,000	60,000	313,720 0.04%	313,720 0.04%	0	0	0	0	0	0	0	0	313,720 0.04%	313,720 0.04%	none
director	Quanye Investment (Stock) Company Representative: Chen Mengxiu	253,720	253,720	0	0	0	0	60,000	60,000	313,720 0.04%	313,720 0.04%	0	0	0	0	0	0	0	0	313,720 0.04%	313,720 0.04%	none
director	Quanye Investment (Stock) Company Representative: Zhang Jingyi	253,720	253,720	0	0	0	0	48,000	48,000	301,720 0.04%	301,720 0.04%	0	0	0	0	0	0	0	0	301,720 0.04%	301,720 0.04%	none
Independent	Wu Siyi	613,720	613,720	0	0	0	0	60,000	60,000	673,720 0.08%	673,720 0.08%	0	0	0	0	0	0	0	0	673,720 0.08%	673,720 0.08%	none

Appendix 4: 2014 Directors' Remuneration Report

job title	Name	Directors' remuneration								The total amounts of items A, B, C, and D, and their proportions to after-tax net profit (Note 10).		Part-time employees receive related remuneration								The total amounts of items A, B, C, D, E, F, and G, and their percentages of after-tax net profit (Note 10).		Remuneration received from investments other than subsidiaries or from the parent company (Note 11)
		Compensation (A) (Note 2)		Retirement pension (B)		Directors' remuneration (C) (Note 3)		Business execution expenses (D) (Note 4)				Salary, bonuses, and special allowances, etc. (E) (Note 5)		Retirement pension (F)		Employee compensation (G) (Note 6)						
		Our company	All companies listed in the financial reports (Note 7)	Our company	All companies listed in the financial reports (Note 7)	Our company	All companies listed in the financial reports (Note 7)	Our company	All companies listed in the financial reports (Note 7)	Our company	All companies listed in the financial reports (Note 7)	Our company	All companies listed in the financial reports (Note 7)	Our company	All companies listed in the financial reports (Note 7)	Our company		All companies listed in the financial reports (Note 7)		Our company	All companies listed in the financial reports (Note 7)	
																Cash amount	Stock Amount	Cash amount	Stock Amount			
Directors																						
Independent Directors	Wu Peijun	613,720	613,720	0	0	0	0	60,000	60,000	673,720 0.08%	673,720 0.08%	0	0	0	0	0	0	0	0	673,720 0.08%	673,720 0.08%	none
Independent Directors	Wu Liyu	613,720	613,720	0	0	0	0	48,000	48,000	661,720 0.08%	661,720 0.08%	0	0	0	0	0	0	0	0	661,720 0.08%	661,720 0.08%	none

1. Please describe the policy, system, standards and structure for directors' remuneration, and explain the relationship between the remuneration amount and factors such as the responsibilities, risks and time invested: According to Article 15-1 of the Company's Articles of Association, all directors shall be paid remuneration regardless of profit or loss. The remuneration of the chairman shall not exceed 1.5 times the salary of the general manager, the remuneration of the vice chairman shall not exceed 1 times the salary of the general manager, and the remuneration of other directors shall be paid in accordance with the industry standards. However, the remuneration of independent directors may be slightly higher than that of non-independent directors. The Company also purchases liability insurance for directors to reduce the risk of directors being sued by shareholders or other related parties for performing their duties in accordance with the law.

II. In addition to the information disclosed in the table above, the remuneration received by the company's directors for providing services to all companies listed in the financial statements in the most recent year (such as acting as consultants to non-employees):

1. Independent director Wu Siyi also serves as the Audit and Remuneration Committee member, with a remuneration of HK$138,000.
2. Independent Director Wu Peijun also serves as the Audit and Remuneration Committee member, with a remuneration of HK$138,000.
3. Independent director Wu Liyu also serves as the audit and remuneration committee member, with a remuneration of HK$138,000.

2025 Cash Dividend Distribution Report

Note: The Company's cash dividend (statement of earnings distribution) for 2025 is as follows.

Nankang Tire Co., Ltd.
Earnings Distribution Table
2025

Unit: New Taiwan Dollar

Beginning retained earnings	1,600,739,411
Add: Net profit after tax for this period	809,784,050
Add: Reversal of Special Surplus Reserve	2,356,441
Add: Determine the employee benefits actuarial plan (profit and loss) for fiscal year 2025	13,182,023
Distributable surplus for this year	2,426,061,925
Project allocation:	
一、10% of statutory reserves shall be allocated.	82,532,251
二、Dividends	
Cash dividend for the second half of 2025 (RMB 0.70 per share)	506,148,516
三、Retained Earnings	1,837,381,158
total	2,426,061,925

Note 1: The cash dividends distributed in the table above are calculated based on the current paid-up ordinary share capital of 733,934,904 shares minus 10,865,595 treasury shares, leaving 723,069,309 shares. If any subsequent events affect the number of shares outstanding of the Company and thus change the dividend payout ratio, the Board of Directors is authorized to make adjustments.

Note 2: This distribution is based on the after-tax net profit of 2025, with cash dividends distributed up to RMB 1 (all amounts below RMB 1 are discarded). Any fractional amounts less than RMB 1 will be included in the company's other income. Distribution will take place after the board of directors approves and sets the distribution benchmark date.

Note 3: As stipulated in Article 21 of the Company's Articles of Association, the Company may distribute profits or offset losses at the end of each semi-annual fiscal year. Accordingly, the Company's Board of Directors and Audit Committee resolved on August 14, 2025, not to distribute dividends for the first half of 2025 in order to retain sufficient working capital.

Appendix 4: 2014 Directors' Remuneration Report

Note 4: The proposed profit distribution was approved by the Board of Directors on March 11, 2026, with April 1, 2026 as the ex-dividend date and cash dividends to be paid on April 16, 2026.

Chairman: Manager: Accounting Supervisor:

Appendix Six: Report on the Implementation of the Treasury Share Repurchase

Report on the Implementation of Treasury Share Repurchase

buy issue	16th	17th	18th	19th	20th
buy Purpose	Transfer of shares For employees	Transfer of shares For employees	Transfer of shares For employees	Transfer of shares For employees	Transfer of shares For employees
Expected repurchase Quantity (shares)	11,000,000	2,200,000	2,200,000	2,200,000	2,200,000
Actual buyback period	2025/4/17~ 2025/6/5	2025/7/31~ 2025/9/3	2025/11/5~ 2026/1/2	2026/1/6~ 2026/2/3	2026/2/24~ 2026/3/9
Actual repurchase range Price (RMB)	35.30~40.05	37.50~40.95	36.25~37.50	34.80~37.20	33.30~36.00
Shares already bought back Types and quantities (Thousands of shares)	Common stock Before the capital reduction: 3,199,000 shares After the capital reduction: 2,816,000 shares	Common stock Before the capital reduction: 1,833,000 shares After the capital reduction: 1,613,000 shares	Common stock 2,037,000 shares	Common stock 2,200,000 shares	Common stock 2,200,000 shares
Share buyback Amount (in thousands of dollars)	Before the capital reduction: 121,439 thousand yuan After the capital reduction: 117,603,000 yuan	Before the capital reduction: 72,403,000 yuan After the capital reduction: 70,205,000 yuan	74,913 thousand yuan	80,712 thousand yuan	76,560,000 yuan
Cancellation has been processed or transfer of shares Quantity (thousand shares)	--	--	--	--	--

Appendix 8: Auditor's Verification Report and Individual Financial Statements for 2011-2014

Cumulative holdings Company shares Quantity (thousand shares)	Before the capital reduction: 3,199,000 shares After the capital reduction: 2,816,000 shares	Before the capital reduction: 5,032,000 shares After the capital reduction: 4,429,000 shares	6,466,000 shares	8,666,000 shares	10,866,000 shares
Cumulative holdings Company shares Number of issuances Total number of shares ratio	0.38%	0.60%	0.88%	1.18%	1.48%

At its annual shareholders' meeting on May 22, 2025, the Company resolved to reduce its capital by NT$1 billion in cash, cancelling 100,000,000 shares, representing a capital reduction ratio of 11.9913436%. The base date for the issuance of new shares was September 12, 2025. (These shares were returned to shareholders on September 15, 2025.)

Appendix 7: Auditor's Verification Report and Consolidated Financial Statements for the Year 2011-2014

Auditor's Audit Report and Consolidated Financial Statements for 2025

Accountant's audit report

NO.000320250CA

Official document of Nankang Tire Co., Ltd.:

Verification comments

The consolidated balance sheets of Nankang Tyre Co., Ltd. and its subsidiaries as of December 31, 2025 and December 31, 2024, as well as the consolidated statements of income and loss, consolidated statements of changes in equity, consolidated statements of cash flows, and notes to the consolidated financial statements (including a summary of significant accounting policies) for the period from January 1 to December 31, 2025 and January 1 to December 31, 2024, have been reviewed and approved by this accountant.

In the opinion of this accountant, the above consolidated financial statements are prepared in all material respects in accordance with the Financial Reporting Standards for Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, interpretations and interpretative announcements approved and issued by the Financial Supervisory Commission, and are sufficient to reasonably present the consolidated financial position of Nankang Tyre Co., Ltd. and its subsidiaries as of December 31, 2025 and December 31, 2024, and their consolidated financial performance and consolidated cash flows from January 1 to December 31, 2025 and from January 1 to December 31, 2024.

Basis for verification comments

This accountant has performed its audit in accordance with the rules for auditors' audits and certification of financial statements and auditing standards. The accountant's responsibilities under these standards will be further explained in the section on auditors' responsibilities in auditing consolidated financial statements. Personnel in this firm, who are subject to independence regulations, have maintained absolute independence from Nankang Tire Co., Ltd. and its subsidiaries in accordance with the Code of Ethics for Auditors and have fulfilled other responsibilities under that code. This accountant believes that sufficient and appropriate audit evidence has been obtained to form the basis for its audit opinion.

Key Verification Items

Key audit matters refer to those matters that, in the auditor's professional judgment, are of most significance in the audit of the consolidated financial statements of Nankang Tire Co., Ltd. and its subsidiaries for the fiscal year 2025. These matters have been addressed in the audit of the consolidated financial statements as a whole and in the formation of the audit opinion, and the auditor does not express a separate opinion on these matters.

The key audit matters concerning the consolidated financial statements of Nankang Tyre Co., Ltd. and its subsidiaries for the fiscal year 2025 are described below:

Inventory Evaluation

As of December 31, 2025, the total inventory of Nankang Tire Co., Ltd. and its subsidiaries amounted to NT$32,988,455,000, representing 61% of total assets. Of this, NT$1,378,565,000 was for tire manufacturing and NT$31,609,890,000 was for construction and development. For details regarding inventory accounting policies, please refer to Note IV (XI) to the consolidated financial statements.

The inventory of Nankang Tire Co., Ltd. and its subsidiaries is measured at cost and net realizable value. Profitability in the tire industry is affected by fluctuations in the price of natural rubber, the main raw material, and uncertainties in the external economic environment. This can lead to significant fluctuations in inventory costs and product selling prices, resulting in a higher risk of inventory net realizable value being lower than book value and obsolete inventory. Furthermore, the value of unsold real estate in the subsidiary's construction department accounts for 96% of the consolidated inventory, impacting the consolidated inventory turnover rate. Since the assessment of the net realizable value of inventory involves significant judgment and estimation, and the inventory amount is material to the consolidated report, this accountant considers the assessment of the inventory of Nankang Tire Co., Ltd. and its subsidiaries to be one of the most important matters audited this year.

The auditor's main audit procedures for the above key audit matters are as follows:

1. Assess the reasonableness of the consolidated company's inventory valuation and obsolete inventory write-down policy.
2. Review and calculate the data on the basis for evaluating the consolidated company's inventory to confirm the reasonableness of the net realizable value.

3. Assess inventory status through annual inventory counts and inventory aging analysis reports to confirm the completeness of the impairment provisions for obsolete inventory of the consolidated company.
4. Compare the recent sales contract prices or the real estate transaction prices registered by the Ministry of the Interior with the net realization assessment data for the inventory of the construction department to confirm the reasonableness of the net realization value of the inventory.

Impairment of real estate, plant and equipment

As of December 31, 2025, the value of real estate, plant and equipment of Nankang Tire Co., Ltd. and its subsidiaries was NT$6,586,118,000, accounting for 13% of total assets. For the accounting policy regarding the impairment of non-financial assets, please refer to Note 4 (XVIII) to the consolidated financial statements.

Nankang Tire Co., Ltd. and its subsidiaries’ management regularly assess whether there are signs of impairment to their real estate, plant and equipment. As the assessment of impairment involves measuring the recoverable amount of each cash-generating unit, it involves many assumptions and estimates. The estimation method directly affects the potential changes in the recoverable amount measurement results. Furthermore, the amount of real estate, plant and equipment is material to the consolidated report. Therefore, this accountant considers the assessment of impairment to the real estate, plant and equipment of Nankang Tire Co., Ltd. and its subsidiaries to be one of the most important matters audited this year.

The auditor's main audit procedures for the above key audit matters are as follows:

1. Understand, analyze and assess the reasonableness of the lack of impairment of cash-generating units as identified by the management of Nankang Tire Co., Ltd. and its subsidiaries.
2. Evaluate and analyze the hypothetical data for the impairment test, including cash flow forecasts and discount rates, and confirm the appropriateness of each hypothetical data.

Other matters

Nankang Tire Co., Ltd. has prepared its individual financial reports for the years 2025 and 2024, and the audit report issued by this accountant with an unqualified opinion is on file for reference.

Responsibilities of Management and Governance Units for Consolidated Financial Reporting

Management is responsible for preparing adequately presented consolidated financial statements in accordance with the Financial Reporting Standards for Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, interpretations and explanatory notices approved and issued by the Financial Supervisory Commission, and for maintaining necessary internal controls relating to the preparation of consolidated financial statements to ensure that there are no material misrepresentations in the consolidated financial statements that could result from fraud or error.

When preparing consolidated financial statements, management's responsibilities also include assessing the ability of Nankang Tire Co., Ltd. and its subsidiaries to continue as a going concern, disclosing relevant matters, and adopting the going concern accounting basis, unless management intends to liquidate Nankang Tire Co., Ltd. and its subsidiaries or cease operations, or there are no other practically feasible options other than liquidation or cessation of operations.

The governance bodies (including the audit committee) of Nankang Tire Co., Ltd. and its subsidiaries are responsible for overseeing the financial reporting process.

responsibility to audit consolidated financial statements

The purpose of this audit is to obtain reasonable confidence in whether there is any material misrepresentation in the consolidated financial statements as a whole, whether due to fraud or error, and to issue an audit report. Reasonable confidence is a high degree of confidence; however, an audit performed in accordance with auditing standards cannot guarantee that it will detect any material misrepresentation in the consolidated financial statements. Misrepresentations may result from fraud or error. A misrepresentation is considered material if the individual amounts or aggregates of the misrepresentation could be reasonably expected to influence the economic decisions of users of the consolidated financial statements.

In conducting audits in accordance with auditing standards, this accountant exercised professional judgment and professional skepticism. This accountant also performed the following procedures:

1. Identify and assess the risks of material misrepresentation in consolidated financial statements resulting from fraud or error; design and implement appropriate countermeasures for the assessed risks; and obtain sufficient and appropriate audit evidence to form the basis

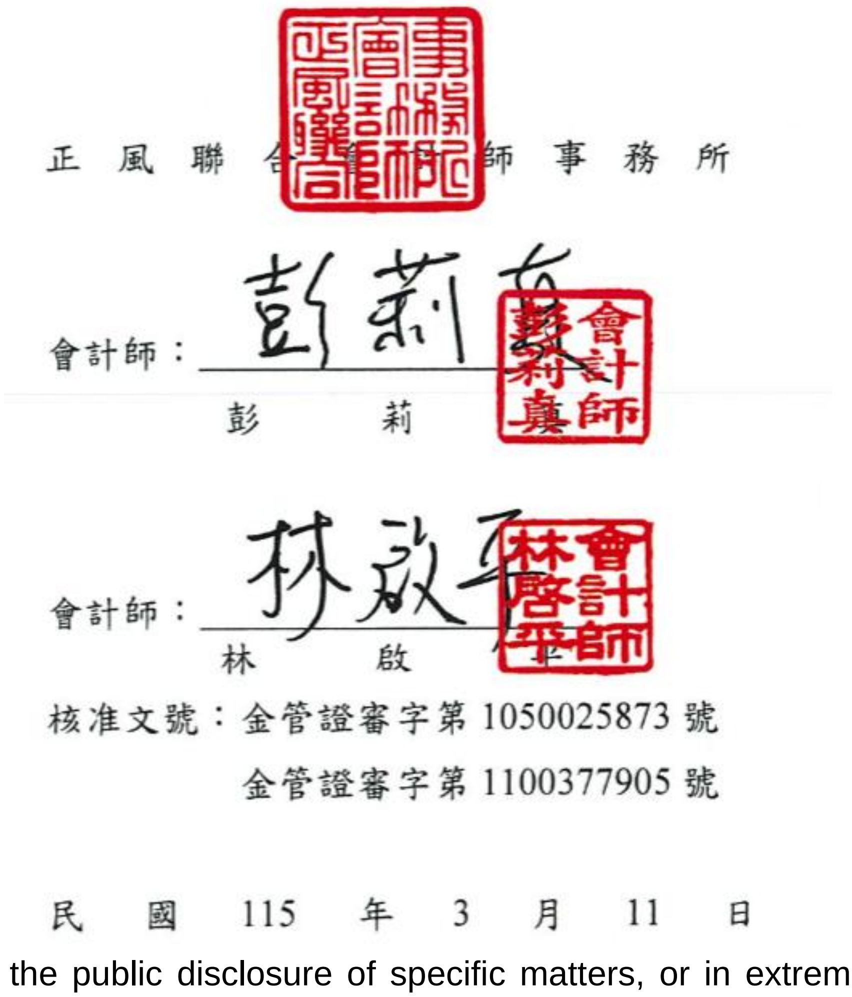
of the audit opinion. Because fraud may involve conspiracy, forgery, intentional omissions, misrepresentations, or breaches of internal control, the risk of failing to detect a material misrepresentation resulting from fraud is higher than that resulting from error.

2. To obtain the necessary understanding of the internal controls relevant to the audit in order to design appropriate audit procedures under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of Nankang Tire Co., Ltd. and its subsidiaries.
3. Assess the appropriateness of the accounting policies adopted by management and the reasonableness of their accounting estimates and related disclosures.
4. Based on the audit evidence obtained, the auditor will conclude the appropriateness of management's adoption of the going concern accounting basis and whether there is material uncertainty regarding events or circumstances that may cast significant doubt on the ability of Nankang Tire Co., Ltd. and its subsidiaries to continue as working. If the auditor believes that such events or circumstances involve material uncertainty, the auditor will draw the attention of consolidated financial statement users to the relevant disclosures in the consolidated financial statements in the audit report, or revise the audit opinion if such disclosures are deemed inappropriate. The auditor's conclusion is based on the audit evidence obtained up to the date of the audit report. However, future events or circumstances may cause Nankang Tire Co., Ltd. and its subsidiaries to cease to be able to continue as working.
5. Assess the overall presentation, structure and content of the consolidated financial statements (including related notes), and whether the consolidated financial statements adequately present the relevant transactions and events.
6. To obtain sufficient and appropriate audit evidence regarding the financial information of Nankang Tire Co., Ltd. and its subsidiaries, in order to express an opinion on the consolidated financial statements. This accountant is responsible for guiding, supervising, and executing the group audit, and for forming the group audit opinion.

The matters communicated by the accountant with the governing body include the planned scope and timing of the audit, as well as significant audit findings (including significant deficiencies in internal control identified during the audit process).

The accountant also provided the governing body with information that the personnel of the firm to which the accountant belongs have complied with the independence statement in the Code of Ethics for Accountants, and communicated with the governing body all relationships and other matters (including relevant safeguards) that may be considered to affect the accountant's independence.

Based on communications with the governed entities, this auditor has identified key audit matters for the audit of the consolidated financial statements of Nankang Tyre Co., Ltd. and its subsidiaries for the fiscal year 2025. These matters are described in this audit report. Unless law


正風聯合會計師事務所

會計師：彭莉真

會計師：林啟平

核准文號：金管證審字第 1050025873 號

金管證審字第 1100377905 號

民國 115 年 3 月 11 日

prohibits the public disclosure of specific matters, or in extremely rare circumstances, this auditor has decided not to communicate specific matters in the audit report, as the negative impact of such communication is reasonably expected to outweigh the public interest gained.

Nankang Tire Co., Ltd. and its subsidiaries

Consolidated Balance Sheet

December 31, 2025 and 2024 (Republic of China Year 113)

Unit: NT$1,000

assets		Appendix Note	December 31 , 2025		December 31, 113	
code	Accounting items		Amount	%	Amount	%
11xx	Current assets					
1100	Cash and cash equivalents	six	$ 1,110,688	2	$ 1,925,324	5
1110	Financial assets measured at fair value through profit or loss – Current	seven	232,481	-	195,451	-
1150	Notes receivable	eight	407,606	1	446,016	1
1170	Accounts Receivable	eight	1,002,901	2	1,398,669	3
1200	Other receivables	29	520,091	1	44,544	-
1220	Current period income tax assets	26	16,075	-	1,999	-
130x	stock	Nine	32,988,455	61	25,771,797	59
1410	Prepayment		780,478	1	919,022	2
1476	Other financial assets	thirty	3,940,374	7	363,148	1
1479	Other current assets	10, 24	1,474,312	3	1,424,845	3
	Total current assets		42,473,461	78	32,490,815	74
15xx	Non-current assets					
1550	Equity method investment	eleven	4,450,523	8	3,855,000	9
1600	Real estate, plant and equipment	12th and 29th	6,586,118	13	7,046,625	16
1755	Right of use assets	Thirteen	168,113	-	179,318	-
1760	Investment real estate	fourteen	331,655	1	331,231	1
1780	Intangible assets		5,320	-	1,623	-
1840	Deferred tax assets	26	18,027	-	119,258	-
1915	Prepayment for equipment		90,942	-	47,076	-
1920	Deposit margin		58,180	-	52,768	-
1960	Prepaid investment	11 (5)	49,000	-	-	-
1975	Net Certainty Welfare Assets - Non-current	21	48,908	-	14,559	-
	Total non-current assets		11,806,786	twenty two	11,647,458	26

1xxx	Total assets		$ 54,280,247	100	$ 44,138,273	100

(Continued on next page)

(The accompanying notes are part of this consolidated financial statement)

Nankang Tire Co., Ltd. and its subsidiaries

Consolidated Balance Sheet (Continued)

December 31, 2025 and 2024 (Republic of China Year 113)

Unit: NT$1,000

Liabilities and Equity		Appendix Note	December 31 , 2025		December 31, 113	
code	Accounting items		Amount	%	Amount	%
21xx	Current liabilities					
2100	short-term loans	fifteen	$ 8,100,499	15	$ 7,332,982	17
2110	Short-term bills payable	sixteen	904,825	2	769,230	2
2130	Contractual liabilities	24th and 29th	11,790,623	twenty two	6,895,983	16
2150	Notes Payable		1,169	-	1,152	-
2170	Accounts Payable	Seventeen	5,424,923	10	1,422,697	3
2200	Other payables	eighteen	508,951	1	617,004	1
2230	Current period income tax liabilities	26	71,778	-	52,212	-
2250	Liability Provisions - Current	nineteen	13,091	-	10,800	-
2280	Lease liabilities - current	Thirteen	8,669	-	14,185	-
2320	Long-term liabilities due within one year	twenty	75,000	-	-	-
2399	Other current liabilities		17,655	-	16,063	-
	Total current liabilities		26,917,183	50	17,132,308	39
25xx	Non-current liabilities					
2540	Long-term loans	twenty	13,855,450	26	12,581,220	28
2571	Deferred income tax liabilities - land value-added tax	26	720,416	1	720,629	2
2572	Deferred tax liabilities - non-current	26	106,242	-	131,645	-
2580	Lease liabilities - non-current	Thirteen	10,706	-	6,622	-
2670	Other non-current liabilities		3,777	-	653	-
	Total non-current liabilities		14,696,591	27	13,440,769	30
2xxx	Total Liabilities		41,613,774	77	30,573,077	69
31xx	Rights belonging to the parent company's owners					
3100	Share capital	22 (1)	7,339,349	13	8,339,349	19
3200	Capital Reserve	22 (2)	293,222	-	293,222	1
3300	Retained Earnings	22 (3)				
3310	Statutory surplus reserve		400,831	1	176,641	-
3320	Special surplus reserve		2,154,655	4	2,157,011	5
3350	Undistributed surplus		2,426,061	4	2,241,896	5
3400	Other rights	22 (4)	290,498	1	357,077	1
3500	Treasury Stocks	23	(238,143)	-	-	-
	Total equity attributable to owners of the parent company		12,666,473	twenty	13,565,196	31

				three		
36xx	Non-controlling interests		-	-	-	-
3xxx	Total equity		12,666,473	twenty three	13,565,196	31
	Total liabilities and equity		$ 54,280,247	100	$ 44,138,273	100

(The accompanying notes are part of this consolidated financial statement)

Chairman: Manager: Accounting Supervisor:

Nankang Tire Co., Ltd. and its subsidiaries

Consolidated Income Statement

Republic of China, 2025 and January 1 to December 31, 2024

Unit: NT$1,000

code	project	Notes	2025		113th year	
			Amount	%	Amount	%
4000	Operating revenue	24th and 29th	$ 8,431,989	100	$ 15,223,519	100
5000	Operating costs	9, 29	(6,623,597)	(78)	(10,334,065)	(68)
5900	Gross profit		1,808,392	twenty two	4,889,454	32
5910	Unrealized benefits between related parties	29	(603)	-	(1,214)	-
5920	Realized benefits with related companies		1,214	-	522	-
5950	Net gross profit		1,809,003	twenty two	4,888,762	32
6000	Operating expenses					
6100	Sales expenses		(745,513)	(9)	(904,440)	(6)
6200	Management expenses		(395,395)	(5)	(389,808)	(2)
6300	Research and development expenses		(88,394)	(1)	(87,160)	(1)
6450	Expected credit impairment (loss) benefits	eight	(881)	-	5,488	-
	Total operating expenses		(1,230,183)	(15)	(1,375,920)	(9)
6900	Operating profit		578,820	7	3,512,842	twenty three
7000	Non-operating income and expenses					
7100	Interest income		22,481	-	26,087	-
7010	Other income	25 (1)	38,644	1	37,208	-
7020	Other benefits and losses	25 (II)	45,940	1	45,001	-
7050	Financial costs	25 (3)	(234,915)	(3)	(177,567)	(1)
7060	Share of related party profit or loss recognized using the equity method		595,262	7	(84,401)	-
	Total non-operating income and expenses		467,412	6	(153,672)	(1)
7900	Net profit before tax		1,046,232	13	3,359,170	twenty two
7950	Income tax expense	26	(236,448)	(3)	(411,286)	(3)
8200	Net profit for this period		809,784	10	2,947,884	19
	Other comprehensive income and loss					
8310	Items not reclassified to profit or loss:					
8311	Determining the remeasurement of welfare plans	21	16,478	-	22,149	-
8349	Income tax related to items not reclassified	26	(3,296)	-	(4,430)	-
	Subtotal		13,182	-	17,719	-
8360	Items that may be reclassified to profit or loss in the future:					
8361	Exchange differences in the translation of financial statements of foreign operating entities		(66,229)	(1)	235,340	2

8371	Exchange differences in the translation of financial statements of related companies and joint ventures operating abroad		(350)	-	5,768	-
	Subtotal		(66,579)	(1)	241,108	2
8300	Other comprehensive profit or loss (net after tax) for the period		(53,397)	(1)	258,827	2
8500	Total comprehensive profit and loss for the period		$ 756,387	9	$ 3,206,711	twenty one
8600	Net profit attributable to:					
8610	Parent company owner		$ 809,784	10	$ 2,947,884	19
8620	Non-controlling interests		-	-	-	-
8700	Total comprehensive profit or loss belongs to:					
8710	Parent company owner		$ 756,387	9	$ 3,206,711	twenty one
8720	Non-controlling interests		-	-	-	-
	Earnings per share (RMB)	27				
9750	Basic earnings per share		$ 1.01		$ 3.53	
9850	Diluted earnings per share		$ 1.01		$ 3.53	

(The accompanying notes are part of this consolidated financial statement)

Chairman: Manager: Accounting Supervisor:

Nankang Tire Co., Ltd. and its subsidiaries
Consolidated Statement of Changes in Equity
Republic of China, 2025 and January 1 to December 31, 2024

Unit: NT$1,000

project	Rights belonging to the parent company's owners								Non-controlling interests	Total equity
	Share capital	Capital Reserve	Retained Earnings			Other rights and interests	Treasury Stocks	total		
			Statutory surplus reserve	Special surplus reserve	Undistributed surplus	Exchange differences in the translation of financial statements of foreign operating entities				
Balance on January 1, 1244	$ 8,339,349	$ 293,224	$ 176,641	$ 2,302,896	$ (869,592)	$ 115,969	$ —	$ 10,358,487	$ —	$ 10,358,487
Special surplus reserve reversal	-	-	-	(145,885)	145,885	-	-	-	-	-
113 Year Net Profit	-	-	-	-	2,947,884	-	-	2,947,884	-	2,947,884
Other comprehensive income and loss in 2011	-	-	-	-	17,719	241,108	-	258,827	-	258,827
Total comprehensive profit and loss for the period	-	-	-	-	2,965,603	241,108	-	3,206,711	-	3,206,711
Changes in related parties and joint ventures recognized using the equity method	-	(2)	-	-	-	-	-	(2)	-	(2)
Balance as of December 31, 1924	$ 8,339,349	293,222	176,641	2,157,011	2,241,896	357,077	-	13,565,196	-	13,565,196
Special surplus reserve reversal	-	-	-	(2,356)	2,356	-	-	-	-	-

Surplus allocation and distribution:										
Appropriation of statutory surplus reserve	-	-	224,190	-	(224,190)	-	-	-	-	-
Cash dividends on common stock	-	-	-	-	(416,967)	-	-	(416,967)	-	(416,967)
Net profit for 2025	-	-	-	-	809,784	-	-	809,784	-	809,784
Other comprehensive income and loss for 2025	-	-	-	-	13,182	(66,579)	-	(53,397)	-	(53,397)
Total comprehensive profit and loss for the period	-	-	-	-	822,966	(66,579)	-	756,387	-	756,387
Cash reduction	(1,000,000)	-	-	-	-	-	-	(1,000,000)	-	(1,000,000)
Buyback of Treasury Shares	-	-	-	-	-	-	(238,143)	(238,143)	-	(238,143)
Balance as of December 31, 2025 (Republic of China year)	$ 7,339,349	$ 293,222	$ 400,831	$ 2,154,655	$ 2,426,061	$ 290,498	$ (238,143)	$ 12,666,473	$ —	$ 12,666,473

(The accompanying notes are part of this consolidated financial statement)

Chairman: Manager: Accounting Supervisor:

Appendix 7: Auditor's Verificati[illegible]onsolidated Financial Statements for the Year 2011-201[illegible]

Nankang Tire Co., Ltd. and its subsidiaries

Consolidated Cash Flow Statement

Republic of China, 2025 and January 1 to December 31, 2024

Unit: NT$1,000

project	2025 year	113 year
Cash flow from operating activities:		
Pre-tax net profit for the period	$ 1,046,232	$ 3,359,170
Adjusted items :		
Revenue and expense items :		
Depreciation expense	641,906	696,082
Amortization expenses	880	402
Expected credit impairment losses (benefits)	881	(5,488)
Measuring financial assets and liabilities at fair value through profit or loss Net (profit) loss	(37,216)	435
Interest expenses	234,915	177,567
Interest income	(22,481)	(26,087)
Dividend income	(13,034)	(11,657)
Share of related party profit or loss recognized using the equity method	(595,262)	84,401
Proceeds from the disposal and scrapping of real estate, factory buildings and equipment	(8,561)	(157)
Unrealized sales profits	603	1,214
Realized sales profits	(1,214)	(522)
Changes in assets/liabilities related to operating activities		
Notes receivable	29,000	135,504
Notes Receivable - Related Parties	(1,246)	3,445
Accounts Receivable	341,420	(412,259)
Accounts Receivable - Related Parties	25,444	108
Other receivables	13,599	(14,722)
Other receivables – related parties	(489,696)	-
live goods	(7,108,742)	(3,074,116)
Prepayment	137,415	(50,151)
Net Certainty Welfare Assets	(17,871)	7,590
Other current assets	(771,860)	(4,553)
Additional costs of obtaining the contract	(50,883)	(26,366)
Contractual liabilities	4,894,947	(2,236,393)
Notes Payable	17	(206)
Accounts Payable	4,010,288	1,067,129
Other payables	(79,146)	101,761
Liability Provision	2,291	(100)
Other current liabilities	1,685	(15,178)
Net Certainty Benefit Liabilities	-	(23,877)
Cash inflows (outflows) generated from operations	2,184,311	(267,024)
Interest collected	22,892	38,969

Interest paid	(232,181)	(193,741)
Income tax paid	(159,396)	(324,739)
Net cash inflows (outflows) from operating activities	1,815,626	(746,535)

(Continued on next page)

Nankang Tire Co., Ltd. and its subsidiaries

Consolidated Cash Flow Statement (Continued)

Republic of China, 2025 and January 1 to December 31, 2024

Unit: NT$1,000

project	2025 year	113 year
Cash flows from investing activities:		
Acquisition of financial assets measured at fair value through profit or loss	(14,202)	(16,120)
Disposal of financial assets measured at fair value through profit or loss	14,387	16,653
Prepaid investment	(49,000)	-
Acquisition of real estate, plant and equipment	(154,714)	(323,681)
Disposal of real estate, factory buildings and equipment	36,303	70,986
Increase in margin deposits	(8,713)	(3,253)
Decrease in margin deposits	4,161	8,903
Acquisition of intangible assets	(4,529)	(56)
Acquisition of investment real estate	(465)	-
Other financial assets increased	(2,817,526)	-
Other financial assets decreased	12,677	748,395
Increase in prepaid equipment costs	(270,987)	(5,434)
Dividends received	13,034	11,657
Net cash inflows (outflows) from investing activities	(3,239,574)	508,050
Cash flows from financing activities:		
Short-term borrowing increased (decreased)	771,567	(82,408)
Increase in short-term bills	135,595	369,967
Borrowing long-term loans	1,500,000	3,780,000
Repaying long-term loans	(150,770)	(3,743,780)
Increase in margin deposits	3,061	300
Decrease in margin deposits	-	(425)
Lease principal repayment	(16,263)	(16,346)
Cash dividends	(416,967)	-
Cash reduction	(1,000,000)	-
Cost of repurchasing treasury stock	(238,143)	-
Net cash inflows from financing activities	588,080	307, 308

The impact of exchange rate fluctuations on cash and cash equivalents	21,232	59,100
Increase (decrease) in cash and cash equivalents during the period	(814,636)	127,923
Beginning cash and cash equivalents	1,925,324	1,797,401
Cash and cash equivalents at the end of the period	$ 1,110,688	$ 1,925,324

(The accompanying notes are part of this consolidated financial statement)

Chairman: Manager: Accounting Supervisor:

Appendix 8: Auditor's Verification Report and Individual Financial Statements for 2011-2014

Auditor's Audit Report and Individual Financial Statements for 2025

Accountant's audit report

NO.000320250A

Official document of Nankang Tire Co., Ltd .:

Verification comments

The individual balance sheets of Nankang Tire Co., Ltd. as of December 31, 2025 and December 31, 2024, as well as the individual consolidated profit and loss statement, individual statement of changes in equity, individual cash flow statement, and individual financial statement notes (including a summary of significant accounting policies) for the period from January 1 to December 31, 2025 and January 1 to December 31, 2024, have been reviewed and approved by this accountant .

In the opinion of this accountant, the above-mentioned individual financial report is prepared in accordance with the Financial Reporting Standards for Securities Issuers in all material respects and is sufficient to reasonably present the individual financial position of Nankang Tyre Co., Ltd. as of December 31, 2025 and December 31, 2024, as well as its individual financial performance and individual cash flows from January 1 to December 31, 2025 and from January 1 to December 31, 2024.

Basis for verification comments

This accountant performed the audit in accordance with the rules for auditors' audits and certification of financial statements and auditing standards. The accountant's responsibilities under these standards will be further explained in the section on auditors' responsibilities in auditing individual financial statements. Personnel in this firm, who are subject to independence regulations, have maintained absolute independence from Nankang Tire Co., Ltd. in accordance with the Code of Ethics for Auditors and have fulfilled other responsibilities under that code. This accountant believes that sufficient and appropriate audit evidence has been obtained to form the basis for expressing the audit opinion.

Key Verification Items

Key audit matters refer to those matters that, in the auditor's professional judgment, are of most significance in the audit of Nankang Tyre Co., Ltd.'s individual financial statements for the fiscal year 2025. These matters have been addressed in the overall audit of the individual financial statements and in the formation of the audit opinion, and the auditor does not express a separate opinion on these matters. The key audit matters of Nankang Tyre Co., Ltd.'s individual financial statements for the fiscal year 2025 are explained below:

Inventory Evaluation

As of December 31, 2025, the inventory of Nankang Tire Co., Ltd. amounted to NT$765,733,000. For the relevant inventory accounting policies, please refer to Note 4 (X) to the Individual Financial Report.

Nankang Tire Co., Ltd.'s inventory is measured by cost and net realizable value. As the assessment of the net realizable value of inventory is a matter of significant judgment and estimation, and the profitability of the tire industry is affected by the price fluctuations of the main raw material, natural rubber, and uncertainties in the external economic environment, the cost of inventory and the selling price of products may fluctuate drastically, resulting in a higher risk of the net realizable value of inventory being lower than the book value and obsolete inventory. Therefore, this accountant believes that the assessment of Nankang Tire Co., Ltd.'s inventory is one of the most important matters to be audited this year .

The auditor's main audit procedures for the above key audit matters are as follows:

the rationality of the company's inventory valuation and policy of depreciating obsolete inventory .

2. Review and verify the data supporting the company's inventory valuation to confirm the reasonableness of the net realizable value.

3. Assess inventory status through annual inventory counts and inventory aging analysis reports to confirm the completeness of write-downs for obsolete inventory.

Impairment of real estate, plant and equipment

As of December 31, 2025, the value of Nankang Tire Co., Ltd.'s real estate, plant and equipment was NT$4,776,891,000. For the accounting policy regarding the impairment of non-financial assets, please refer to Note 4 (XVI) to the individual financial report.

Nankang Tire Co., Ltd.'s management regularly assesses whether there are signs of impairment to its real estate, plant and equipment. As the assessment of impairment measures the recoverable amount of cash-generating units, it involves many assumptions and estimates. The estimation method directly affects the measurement results of recoverable amount, which may change. Therefore, this accountant considers the assessment of impairment to Nankang Tire Co., Ltd.'s real estate, plant and equipment to be one of the most important matters to be audited this year .

The auditor's main audit procedures for the above key audit matters are as follows:

1. Understand, analyze, and assess the reasonableness of the lack of signs of impairment in cash-generating units as identified by the management of Nankang Tire Co., Ltd.

2. Evaluate and analyze the hypothetical data for the impairment test, including cash flow forecasts and discount rates, and confirm the appropriateness of each hypothetical data.

The responsibility of management and governance units for individual financial reporting

Management is responsible for preparing adequately presented individual financial statements in accordance with the financial reporting standards for securities issuers, and for maintaining necessary internal controls relating to the preparation of individual financial statements to ensure that there is no material misrepresentation in the individual financial statements that could result from fraud or error.

When preparing individual financial reports, management's responsibilities also include assessing Nankang Tire Co., Ltd.'s ability to continue as a going concern, the disclosure of relevant matters, and the adoption of the going concern accounting basis, unless management intends to liquidate Nankang Tire Co., Ltd. or cease operations, or there are no other practically feasible options other than liquidation or cessation of operations.

The governance body (including the audit committee) of Nankang Tire Co., Ltd. is responsible for overseeing the financial reporting process.

Accountant's responsibility to audit individual financial reports

The purpose of this audit is to obtain reasonable confidence in whether the individual financial statements as a whole contain any material misstatement that could result from fraud or error, and to issue an audit report. Reasonable confidence is a high degree of confidence; however, an audit performed in accordance with auditing standards cannot guarantee that it will detect any material misstatement in the individual financial statements. A misstatement could result from fraud or error. A misstatement is considered material if the individual amount or aggregate of the misstatement could be reasonably expected to affect the economic decisions of users of the individual financial statements.

In conducting audits in accordance with auditing standards, this accountant exercised professional judgment and professional skepticism. This accountant also performed the following procedures:

1. Identify and assess the risk of material misrepresentation in

individual financial reports resulting from fraud or error; design and implement appropriate countermeasures for the assessed risks; and obtain sufficient and appropriate audit evidence to form the basis of the audit opinion. Because fraud may involve conspiracy, forgery, intentional omissions, misrepresentations, or breaches of internal controls, the risk of failing to detect a material misrepresentation resulting from fraud is higher than that resulting from error.

2. To obtain the necessary understanding of the internal controls relevant to the audit in order to design appropriate audit procedures under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of Nankang Tire Co., Ltd.

3. Assess the appropriateness of the accounting policies adopted by management and the reasonableness of their accounting estimates and related disclosures.

4. Based on the audit evidence obtained, the auditor will conclude the appropriateness of management's adoption of the going concern accounting basis and whether there is significant uncertainty regarding events or circumstances that may cast material doubt on Nankang Tyre Co., Ltd.'s ability to continue as a going concern. If the auditor believes that such events or circumstances involve significant uncertainty, the auditor will be required to remind individual financial statement users of the relevant disclosures in the audit report, or revise the audit opinion if such disclosures are deemed inappropriate. The auditor's conclusion is based on the audit evidence obtained up to the date of the audit report. However, future events or circumstances may cause Nankang Tyre Co., Ltd. to cease to be able to continue as a going concern.

5. Assess the overall presentation, structure and content of the individual financial report (including related notes), and whether the individual financial report adequately reflects the relevant transactions and events.

6. To obtain sufficient and appropriate audit evidence for the financial information of the constituent entities within Nankang Tire Co., Ltd., in order to express an opinion on their individual financial reports. This accountant is responsible for guiding, supervising, and executing the audit, and for formulating the audit opinion for Nankang Tire Co., Ltd.

The matters communicated by the accountant with the governing body include the planned scope and timing of the audit, as well as significant audit findings (including significant deficiencies in internal control identified during the audit process).

The accountant also provided the governing body with information that the personnel of the firm to which the accountant belongs have complied with the independence statement in the Code of Ethics for Accountants, and communicated with the governing body all relationships and other matters (including relevant safeguards) that may be considered to affect the accountant's independence.

Based on communications with the governing body, this accountant has identified key audit matters for the audit of Nankang Tire Co., Ltd.'s 2025 Individual Financial Report. These matters are described in this audit report. Unless law prohibits the public disclosure of specific matters, or in extremely rare circumstances, this accountant has decided not to communicate specific matters in the audit report, as the negative ir ... expected to outweigh tl

正 風 聯 合 會 計 師 事 務 所

會計師：彭 莉 真

會計師：林 啟 平

核准文號：金管證審字第 1050025873 號

Appendix 8: Auditor's Verificatic[stamp]dividual Financial Statements for 2014

Nankang Tire Co., Ltd.

Individual Balance Sheet

December 31, 2025 and 2024 (Republic of China Year 113)

Unit: NT$1,000

assets		Appendix Note	December 31 , 2025		December 31, 113	
code	Accounting items		Amount	%	Amount	%
11xx	Current assets					
1100	Cash and cash equivalents	six	$ 209,088	1	$ 209,493	1
1110	Financial assets measured at fair value through profit or loss – Current	seven	232,481	1	195,451	1
1160	Notes Receivable - Related Parties	8 , 28	7,615	-	4,758	-
1170	Accounts Receivable	eight	706,822	3	362,889	2
1180	Accounts Receivable - Related Parties	8 , 28	234,797	1	254,037	1
1200	Other receivables		27,470	-	17,719	-
1210	Other receivables – related parties	28	940,271	4	455,993	2
1220	Current period income tax assets	25	-	-	44	-
130x	stock	Nine	765,733	3	836,795	4
1410	Prepayment		20,494	-	15,373	-
1460	Non-current assets for sale	ten	181,400	1	-	-
1476	Other financial assets	29	176,049	1	328	-
1479	Other current assets		47,155	-	41,941	-
	Total current assets		3,549,375	15	2,394,821	11
15xx	Non-current assets					
1550	Equity method investment	eleven	14,501,340	62	15,019,672	65
1600	Real estate, plant and equipment	12th and 28th	4,776,891	twenty one	5,019,308	twenty two
1755	Right of use assets	Thirteen	3,134	-	7,211	-
1760	Investment real estate	fourteen	331,655	1	331,231	1
1840	Deferred tax assets	25	18,027	-	119,258	1
1915	Prepayment for equipment		90,942	1	47,076	-
1920	Deposit margin		13,445	-	12,994	-
1960	Prepaid investment	11 (6)	49,000	-	-	-
1975	Net Certainty Welfare Assets - Non-current	twenty	48,908	-	14,559	-
	Total non-current assets		19,833,342	85	20,571,309	89

1xxx	Total assets		$ 23,382,717	100	$ 22,966,130	100

(Continued on next page)

(The appended notes are part of this entity's financial report)

Appendix 8: Auditor's Verificati[illegible]ndividual Financial Statements for 2014

Nankang Tire Co., Ltd.

Individual Balance Sheet (Continued)

December 31, 2025 and 2024 (Republic of China Year 113)

Unit: NT$1,000

Liabilities and Equity		Notes	December 31 , 2025		December 31, 113	
code	Accounting items		Amount	%	Amount	%
21xx	Current liabilities					
2100	short-term loans	fifteen	$ 7,728,448	33	$ 7,222,191	31
2110	Short-term bills payable	sixteen	109,805	1	189,528	1
2130	Contractual liabilities	23	54,454	-	63,605	-
2150	Notes Payable		1,169	-	1,152	-
2170	Accounts Payable		111,913	-	68,752	-
2180	Accounts Payable - Related Parties	28	1,102,988	5	153,389	1
2200	Other payables	Seventeen	367,830	2	334,870	2
2220	Other payables – related parties	28	103,579	-	2,748	-
2230	Current period income tax liabilities	25	68,914	1	20,906	-
2250	Liability Provisions - Current	eighteen	13,091	-	10,800	-
2280	Lease liabilities - current	Thirteen	1,315	-	6,652	-
23 20	Long-term liabilities due within one year	nineteen	75,000	-	-	-
23 99	Other current liabilities	ten	192,496	1	13,513	-
	Total current liabilities		9,931,002	43	8,088,106	35
25xx	Non-current liabilities					
2540	Long-term loans	nineteen	37,500	-	540,953	2
2571	Deferred income tax liabilities - land value-added tax		639,709	3	639,709	3
2572	Deferred tax liabilities - non-current	25	106,242	-	131,645	1
2580	Lease liabilities - non-current	Thirteen	1,731	-	461	-
2645	Deposit margin		60	-	60	-
	Total non-current liabilities		785,242	3	1,312,828	6
2xxx	Total Liabilities		10,716,244	46	9,400,934	41
3100	Share capital	21 (1)	7,339,349	32	8,339,349	36
3200	Capital Reserve	21 (Tuesday)	293,222	1	293,222	1
3300	Retained Earnings	21 (Wednesday)				
3310	Statutory surplus reserve		400,831	2	176,641	1
3320	Special surplus reserve		2,154,655	9	2,157,011	9
3350	Undistributed surplus		2,426,061	10	2,241,896	10
3400	Other rights	21 (Thursday)	290,498	1	357,077	2

3480	Treasury Stocks	22	(238,143)	(1)	-	-
3xxx	Total equity		12,666,473	54	13,565,196	59
	Total liabilities and equity		$ 23,382,717	100	$ 22,966,130	100

(The appended notes are part of this entity's financial report)

Chairman: Manager: Accounting Supervisor:

Nankang Tire Co., Ltd.
Individual Comprehensive Profit and Loss Statement
Republic of China, 2025 and January 1 to December 31, 2024

Unit: NT$1,000

code	project	Notes	2025 Amount	%	113th year Amount	%
4000	Operating revenue	23rd and 28th	$ 6,751,520	100	$ 4,626,694	100
5000	Operating costs	9, 28	(5,736,414)	(85)	(3,740,148)	(81)
5900	Gross profit		1,015,106	15	886,546	19
5910	Unrealized sales profits	28	(12,440)	-	(15,689)	-
5920	Realized sales profits		15,689	-	10,238	-
5950	Net gross profit		1,018,355	15	881,095	19
6000	Operating expenses					
6100	Sales expenses		(490, 670)	(7)	(448,397)	(10)
6200	Management expenses		(253,026)	(4)	(262,651)	(5)
6300	Research and development expenses		(88,394)	(1)	(87,160)	(2)
6450	Expected credit impairment loss		(2,193)	-	(150)	-
	Total operating expenses		(834,283)	(12)	(798,358)	(17)
6900	Operating profit		184,072	3	82,737	2
7000	Non-operating income and expenses					
7100	Interest income		3,156	-	963	-
7010	Other income	24 (1) and 28	89,322	1	29,542	1
7020	Other benefits and losses	24 (2)	83,874	1	42,282	1
7050	Financial costs	24 (3)	(156,013)	(2)	(173,573)	(4)
7070	Share of profits and losses of subsidiaries and related parties using the equity method		779,117	12	3,088,760	67
	Total non-operating income and expenses		799,456	12	2,987,974	65
7900	Net profit before tax		983,528	15	3,070,711	67
7950	Income tax expense	25	(173,744)	(3)	(122,827)	(3)
8200	Net profit for this period		809,784	12	2,947,884	64
	Other comprehensive income and loss					
8310	Items not reclassified to profit or loss:					
8311	Determining the remeasurement of welfare plans	twenty	16,478	-	22,149	-
8349	Income tax related to items not reclassified	25	(3,296)	-	(4,430)	-
	Subtotal		13,182	-	17,719	-
8360	Items that may be reclassified to profit or loss in the future:					
8361	Exchange differences in the translation of financial statements of foreign operating entities		(66,229)	(1)	235,340	5

8371	Exchange differences in the translation of financial statements of related companies and joint ventures operating abroad		(350)	-	5,768	-
	Subtotal		(66,579)	(1)	241,108	5
8300	Other comprehensive profit or loss (net after tax) for the period		(53,397)	(1)	258,827	5
8500	Total comprehensive profit and loss for the period		$ 756,387	11	$ 3,206,711	69
	Earnings per share (RMB)	26				
9750	Basic earnings per share		$1.01		$3.53	
9850	Diluted earnings per share		$1.01		$3.53	

(The appended notes are part of this entity's financial report)

Chairman: Manager: Accounting Supervisor:

Nankang Tire Co., Ltd.

Individual Equity Change Statement

Republic of China, 2025 and January 1 to December 31, 2024

Unit: NT$1,000

project	Share capital	Capital Reserve	Retained Earnings			Other rights and interests	Treasury Stocks	Total equity
			Statutory surplus reserve	Special surplus reserve	Undistributed surplus	Exchange differences in the translation of financial statements of foreign operating entities		
Balance on January 1, 1244	$ 8,339,349	$ 293,224	$ 176,641	$ 2,302,896	$ (869,592)	$ 115,969	$ —	$ 10,358,487
Special surplus reserve reversal	-	-	-	(145,885)	145,885	-	-	-
113 Year Net Profit	-	-	-	-	2,947,884	-	-	2,947,884
Other comprehensive income and loss in 2011	-	-	-	-	17,719	241,108	-	258,827
Total comprehensive profit and loss for the period	-	-	-	-	2,965,603	241,108	-	3,206,711
Changes in related parties and joint ventures recognized using the equity method	-	(2)	-	-	-	-	-	(2)
Balance as of December 31, 1924	$ 8,339,349	$ 293,222	$ 176,641	$ 2,157,011	$ 2,241,896	$ 357,077	$ —	$ 13,565,196
Special surplus reserve reversal	-	-	-	(2,356)	2,356	-	-	-
Surplus allocation and distribution:								
Appropriation of statutory surplus reserve	-	-	224,190	-	(224,190)	-	-	-
Cash dividends on common stock	-	-	-	-	(416,967)	-	-	(416,967)
Net profit for 2025	-	-	-	-	809,784	-	-	809,784
Other comprehensive income and loss for 2025	-	-	-	-	13,182	(66,579)	-	(53,397)

Total comprehensive profit and loss for the period	-	-	-	-	822,966	(66,579)	-	756,387
Cash reduction	(1,000,000)	-	-	-	-	-	-	(1,000,000)
Treasury stock buyback	-	-	-	-	-	-	(238,143)	(238,143)
Balance as of December 31, 2025 (Republic of China year)	$ 7,339,349	$ 293,222	$ 400,831	$ 2,154,655	$ 2,426,061	$ 290,498	$ (238,143)	$ 12,666,473

(The appended notes are part of this entity's financial report)

Chairman: Manager: Accounting Supervisor:

Nankang Tire Co., Ltd.

Individual Cash Flow Statement

Republic of China, 2025 and January 1 to December 31, 2024

Unit: NT$1,000

project	2025 year	113 year
Cash flow from operating activities:		
Pre-tax net profit for the period	$ 983,528	$ 3,070,711
Adjusted items:		
Revenue and expense items :		
Depreciation expense	432,342	456,068
Expected credit impairment loss	2,193	150
Measuring financial assets and liabilities at fair value through profit or loss Net loss (or gain) on debt	(37,216)	435
Interest expenses	156,013	173,573
Interest income	(3,156)	(963)
Dividend income	(13,034)	(11,657)
Profits and losses of subsidiaries and related parties using the equity method share	(779,117)	(3,088,760)
Interests from the disposal of real estate, plant and equipment	(7,548)	(12,479)
Unrealized sales profits	12,440	15,689
Realized sales profits	(15,689)	(10,238)
Unrealized interests between subsidiaries and affiliates	-	11,560
Changes in assets/liabilities related to operating activities		
Notes Receivable - Related Parties	(2,857)	5,922
Accounts Receivable	(346,126)	(121,233)
Accounts Receivable - Related Parties	19,240	(6,433)
Other receivables	(9,751)	929
stock	71,062	(11,286)
Prepayment	(5,121)	5,702
Other current assets	(5,214)	(1,047)
Net Certainty Welfare Assets	(17,871)	7,590
Contractual liabilities	(9,151)	10,318
Notes Payable	17	(206)
Accounts Payable	43,161	(25,950)
Accounts Payable - Related Parties	949,599	8,973
Other payables	39,778	49,011
Other payables – related parties	100,831	2,748
Liability Provision	2,291	(100)
Other current liabilities	178,982	(15,094)
Net Certainty Benefit Liabilities	-	(23,876)
Cash inflows from operations	1,739,626	490,057
Interest collected	3,156	963
Interest paid	(153,032)	(177,286)

Income tax paid	(53,159)	(20,844)
Net cash inflow from operating activities	1,536,591	292,890

(Continued on next page)

Nankang Tire Co., Ltd.

Individual Cash Flow Statement (Continued)

Republic of China, 2025 and January 1 to December 31, 2024

Unit: NT$1,000

project	2025 year	113 year
Cash flows from investing activities:		
Acquisition of financial assets measured at fair value through profit or loss	(14,202)	(16,120)
Disposal of financial assets measured at fair value through profit or loss	14,387	16,653
Increase in prepaid investment	(49,000)	-
Return of share capital by investee company using the equity method	392,974	723,913
Receive dividends from investments made using the equity method	410,653	217,716
Acquisition of non-current assets for sale	(58,675)	-
Acquisition of real estate, plant and equipment	(89,855)	(209,837)
Disposal of real estate, factory buildings and equipment	3,879	67,186
Increase in margin deposits	(1,754)	(769)
Decrease in margin deposits	1,303	805
Other receivables – increase in related parties	(93,334)	(215,930)
Acquisition of investment real estate	(465)	-
Other financial assets increased	(175,721)	(twenty one)
Increase in prepaid equipment costs	(270,987)	(5,434)
Receive other dividends	13,034	11,657
Net cash inflow from investing activities	82,237	589,819
Cash flows from financing activities:		
Short-term borrowing increased (decreased)	551,257	(103,056)
Increase (decrease) in short-term bills payable	(79,723)	9,917
Borrowing long-term loans	150,000	-
Repaying long-term loans	(578,453)	(675,000)
Lease principal repayment	(7,204)	(7,494)
Cash dividends	(416,967)	-

Cash reduction	(1,000,000)	-
Cost of repurchased treasury shares	(238,143)	-
Net cash outflow from financing activities	(1,619,233)	(775,633)
Increase (decrease) in cash and cash equivalents during the period	(405)	107,076
Beginning cash and cash equivalents	209,493	102,417
Cash and cash equivalents at the end of the period	$ 209,088	$ 209,493

(The appended notes are part of this entity's financial report)

Chairman: Manager: Accounting Supervisor:

Nankang Co., Ltd.
Board of Directors Election Procedure

The Board of Directors approved the following on March 11, 2026:

Article 1

In order to ensure a fair, impartial and transparent selection of directors, this procedure is established in accordance with Articles 21 and 41 of the "Code of Conduct for the Governance of Listed Companies".

Article 2

Unless otherwise stipulated by law or articles of association, the election of directors of this company shall be carried out in accordance with this procedure.

Article 3

The selection of directors of the Company should take into account the overall composition of the Board of Directors. The composition of the Board should be diversified, and an appropriate diversification strategy should be formulated based on the Company's operations, business model, and development needs, including but not limited to the following two main criteria:

I. Basic conditions and values: gender, age, nationality and culture, etc.

II. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industry experience, etc.

Board members should generally possess the knowledge, skills, and qualities necessary to perform their duties, and their overall capabilities should be as follows:

I. Operational judgment ability.

II. Accounting and financial analysis skills.

III. Business management capabilities.

IV. Crisis Management Capabilities.

V. Industry Knowledge.

VI. International Market Perspective.

VII. Leadership skills.

8. Decision-making ability.

More than half of the seats on the board must be held by the board members, and they must not be spouses or relatives within the second degree of kinship.

The Company’s Board of Directors shall consider adjusting the composition of the Board of Directors based on the results of the performance evaluation.

Article 4

The qualifications of the independent directors of this company shall comply with the provisions of Articles 2, 3 and 4 of the "Measures for the Establishment of Independent Directors of Publicly Offered Companies".

The selection of independent directors of the Company shall comply with the provisions of Articles 5, 6, 7, 8 and 9 of the "Measures for the Establishment and Compliance of Independent Directors of Publicly Offered Companies" and shall be handled in accordance with Article 24 of the "Code of Conduct for the Governance of Listed Companies".

Article 5

The election of directors of this company shall be conducted in accordance with the candidate nomination procedure stipulated in Article 192-1 of the Company Law.
If a director is dismissed, resulting in a shortage of five directors, the company shall elect replacements at the most recent shareholders' meeting. However, if the number of vacancies reaches one-third of the seats stipulated in the articles of association, the company shall convene an extraordinary shareholders' meeting to elect replacements within sixty days from the date of the occurrence of the event.
If the number of independent directors is less than the requirement stipulated in Article 14-2, Paragraph 1 of the Securities and Exchange Act, a replacement shall be elected at the most recent shareholders' meeting; if all independent directors are dismissed, an extraordinary shareholders' meeting shall be convened within sixty days from the date of the event to elect replacements.
Article 6
The election of directors of the Company shall be conducted by cumulative voting, with each share having the same number of votes as the number of directors to be elected, and the directors may be elected by a single vote or by a distribution of votes to several directors.
Article 7
The board of directors shall prepare ballots equal to the number of directors to be elected, fill in their weights, and distribute them to the shareholders present at the shareholders' meeting. The registration of voters may be done by the attendance certificate number printed on the ballot.
Article 8
The number of directors of the Company shall be calculated separately for independent directors and non-independent directors in accordance with the quota stipulated in the Articles of Association. Those who receive more votes shall be elected in order. If two or more directors receive the same number of votes and the number of directors exceeds the quota, the directors shall be decided by drawing lots. If the director is absent, the chairman shall draw lots on their behalf.
Article 9
Before the election begins, the chairman shall appoint several scrutineers (who should be shareholders) and vote counters to perform their respective duties. The ballot boxes shall be prepared by the board of directors and opened in public by the scrutineers before the vote.
Article 10
A ballot is invalid if any of the following conditions are met:
1. Those who do not use ballots prepared by the person with the right to convene the meeting.
2. Those who submit blank ballots to the ballot box.
3. Handwriting that is illegible or has been altered.
IV. Any discrepancies between the filled-in candidates and the list of director candidates after verification.
V. Those who write other text besides filling in the allocation of voting rights.
Article 11

After the voting is completed, the ballots will be counted on the spot, and the results should be announced by the chairman on the spot, including the list of elected directors and their elected weights.
The ballots for the aforementioned election items shall be sealed and signed by the ballot supervisors, properly kept, and retained for at least one year. However, if a shareholder initiates a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the lawsuit is concluded.

Article 12

The elected directors will be issued an election notice by the company's board of directors.

Article 13

This procedure is implemented upon approval by the shareholders' meeting, and the same applies to any amendments.

Nankang Tire Co., Ltd.
Shareholders' Meeting Rules

Revised by the shareholders' meeting on May 18, 111

Article 1

In order to establish a sound shareholder governance system, improve oversight functions, and strengthen management capabilities, this rule is formulated in accordance with Article 5 of the Code of Conduct for the Governance of Listed and OTC Companies for compliance.

Article 2

Unless otherwise provided by law or the company's articles of association, the rules of procedure for the company's shareholders' meetings shall be governed by these rules.

Article 3

Unless otherwise required by law, the Company's shareholders' meetings shall be convened by the Board of Directors.

Any change to the method of convening the Company's shareholders' meeting shall be subject to a resolution of the Board of Directors and shall be made no later than before the notice of the shareholders' meeting is sent.

The Company shall, 30 days prior to the Annual General Meeting or 15 days prior to the Extraordinary General Meeting, prepare electronic files of the notice of the shareholders' meeting, proxy forms, relevant approval documents, discussion documents, and explanatory materials for all proposals, including the election or removal of directors and supervisors, and transmit them to the Public Information Observation Station. Furthermore, 21 days prior to the Annual General Meeting or 15 days prior to the Extraordinary General Meeting, the Company shall prepare electronic files of the shareholders' meeting proceedings and supplementary materials and transmit them to the Public Information Observation Station. 15 days prior to the shareholders' meeting, the Company shall prepare the shareholders' meeting proceedings and supplementary materials for shareholders to access at any time, display them at the Company and its securities brokerage, and distribute them at the shareholders' meeting.

The notice and announcement shall specify the reason for the meeting; if the notice is agreed to by the other party, it may be given electronically.

The main contents of matters concerning the election or removal of directors, amendments to the articles of association, capital reduction, application for suspension of public offering, non-compete licenses for directors, conversion of surplus into capital, conversion of capital reserves into capital, dissolution, merger, division of the company, or any of the provisions of Article 185, Paragraph 1 of the Company Law, Article 26-1 and Article 43-6 of the Securities and Exchange Law, and Article 56-1 and Article 60-2 of the Guidelines for the Handling of Issuance and Offering of Securities by Issuers shall be listed and explained in the grounds for convening the meeting, and shall not be proposed by temporary motion.

Shareholders holding more than one percent of the total issued shares may submit written proposals to the Company for the Annual General Meeting of Shareholders. However, only one proposal may be submitted; proposals exceeding one item will not be included in the agenda. Furthermore, if a proposal submitted by a shareholder falls under any of the circumstances described in Article 172-1, Paragraph 4 of the Companies Act, the Board of Directors may exclude it from the agenda.

The Company shall announce the acceptance of shareholder proposals, the acceptance location and the acceptance period before the suspension of share transfers prior to the convening of the annual general meeting; the acceptance period shall not be less than ten days.

Shareholders' proposals shall be limited to 300 words. Proposals exceeding 300 words shall not be included in the proposals. Shareholders who propose such proposals shall attend the shareholders' meeting in person or by proxy and participate in the discussion of the proposal.

The Company shall notify the proposing shareholders of the results of the proceedings prior to the date of the notice of the shareholders' meeting, and shall include the proposals that comply with this provision in the meeting notice. For any shareholder proposals not included in the agenda, the Board of Directors shall explain the reasons for their omission at the shareholders' meeting.

Article 4

Shareholders may, at each shareholders' meeting, issue a power of attorney issued by the company, specifying the scope of authorization, and appoint an agent to attend the shareholders' meeting.

Each shareholder may issue one proxy form, which may authorize only one person. The proxy form shall be delivered to the Company or its agent five days prior to the shareholders' meeting. In the event of duplicate proxy forms, the one delivered first shall prevail. However, this restriction does not apply to a shareholder who declares the withdrawal of a previous proxy.

After the proxy form is delivered to the Company, if a shareholder wishes to attend the shareholders' meeting in person or exercise his or her voting rights in writing or electronically, he or she shall give the Company a written notice of revocation of the proxy two days before the shareholders' meeting; if the revocation is made after the deadline, the voting rights exercised by the proxy shall prevail.

If a shareholder wishes to attend the shareholders' meeting via video link after the proxy form has been delivered to the Company, the shareholder shall notify the Company in writing of the cancellation of the proxy two days prior to the meeting. If the cancellation is made after the deadline, the voting rights exercised by the proxy shall prevail.

Article 5

The shareholders' meeting shall be held at the location of the Company or at a location convenient for shareholders to attend and suitable for holding the meeting, and the meeting shall not begin earlier than 9:00 a.m. or later than 3:00 p.m.

When the Company holds a video shareholders' meeting, it is not subject to the aforementioned restrictions on the location.

Article 6

The company shall specify in the meeting notice the registration time and location for shareholders, solicitors, and proxies (hereinafter referred to as shareholders), as well as other relevant information. If the shareholders' meeting is held via video conference, the company shall specify the methods for shareholders to participate and exercise their rights, the procedures for handling situations where the video conference platform or participation via video is hindered due to force majeure, the dates for any postponement or rescheduled meeting, and other relevant information. If the shareholders' meeting is held via video conference, the company shall also specify appropriate alternative measures provided for shareholders who have difficulty participating via video conference.

Shareholders must register at least 30 minutes before the start of the meeting; the registration area must be clearly marked and staffed with qualified personnel; for video conferences, registration must be accepted on the video conference platform 30 minutes before the start of the meeting, and shareholders who have completed registration are deemed to be attending the meeting in person.

The Company shall provide a sign-in book for attending shareholders or their authorized agents (hereinafter referred to as shareholders) to sign in, or for attending shareholders to submit sign-in cards on their behalf.

The Company shall provide shareholders attending the shareholders' meeting with the meeting procedure manual, annual report, attendance certificates, speaking slips, ballots and other meeting materials; if there is an election of directors or supervisors, separate ballots shall be attached.

Shareholders should attend the shareholders' meeting with their attendance badge, attendance card, and ID card or health insurance card; those soliciting proxies should also bring their ID card or health insurance card for verification.

When a government or legal entity is a shareholder, it may appoint more than one representative to attend the shareholders' meeting. When a legal entity is entrusted to attend the shareholders' meeting, it may appoint only one representative.

If a corporate shareholder appoints a representative to attend the shareholders' meeting, the representative should present a letter of appointment during the registration process. The appointed person should bring their ID card or health insurance card as proof of identity for verification.

If a corporate shareholder exercises both the right to appoint another person to attend on its behalf and the right to appoint a representative to attend, the appointment of the representative shall prevail.

If a shareholders' meeting is to be held via video conference, shareholders who wish to attend via video conference should register with the company two days prior to the meeting.

If the shareholders' meeting is held via video conference, the company shall upload the meeting procedure, annual report and other relevant materials to the shareholders' meeting video conference platform at least thirty minutes before the meeting begins, and continue to disclose them until the end of the meeting.

Article 7

If the shareholders' meeting is convened by the board of directors, the chairman shall serve as the chairman of the board. If the chairman is absent or unable to exercise his or her powers for any reason, the procedures shall be handled in accordance with Article 208 of the Company Act.

If a shareholders' meeting is convened by a person other than the board of directors, the person who convened the meeting shall serve as the chairperson. If there are two or more persons who have the right to convene the meeting, they shall elect one of them to serve as chairperson.

The Company may appoint its lawyers, accountants or other relevant personnel to attend shareholders' meetings.

Article 8

The company shall continuously record audio and video of the entire process of shareholder registration, meeting proceedings, and voting and counting, starting from the time the shareholder registration is accepted .

The aforementioned audio-visual materials should be retained for at least one year. However, if a shareholder files a lawsuit under Article 189 of the Company Law, the materials should be retained until the lawsuit is concluded.

When a shareholders' meeting is held via video conference, the company shall record and retain information such as shareholders' registration, attendance, questions, voting, and the company's vote count, and shall record the entire video conference continuously without interruption.

The aforementioned materials and audio/video recordings shall be properly preserved by the Company during its operation, and the audio/video recordings shall be provided to the entrusted party for video conferencing affairs for safekeeping.

Article 9

Attendance at the shareholders' meeting shall be calculated based on shares. The number of shares present shall be calculated based on the number of shares registered in the register or submitted on the attendance card and via video conferencing platform, plus the number of shares exercised by writing or electronic means.

When the meeting time has arrived, the chairman should immediately announce the commencement of the meeting and simultaneously disclose relevant information such as the number of shares without voting rights and the number of shares present.

However, if no shareholders representing more than half of the total issued shares are present, the chairman may postpone the meeting, with a limit of two postponements, and the total postponement time shall not exceed one hour. If two postponements still fail to attract shareholders representing more than one-third of the total issued shares, the chairman shall declare the meeting adjourned; if the shareholders' meeting is held via video conference, the company shall also announce the adjournment on the shareholders' meeting video conference platform.

If, after two postponements, the number of shareholders is still insufficient but more than one-third of the total issued shares are present, a false resolution may be made in accordance with Article 175, Paragraph 1 of the Company Law, and all shareholders shall be notified of the false resolution and a new shareholders' meeting shall be convened within one month. If the shareholders' meeting is held via video conference, shareholders who wish to attend via video conference shall re-register with the Company in accordance with Article 6.

If, before the conclusion of the meeting, the number of shares represented by the attending shareholders reaches more than half of the total issued shares, the chairman may resubmit the proposed resolution to the shareholders' meeting for a vote in accordance with Article 174 of the Companies Act.

Article 10

If the shareholders' meeting is convened by the board of directors, the agenda shall be set by the board of directors, and the meeting shall proceed according to the set agenda, which shall not be changed without a resolution of the shareholders' meeting.

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

Before the conclusion of the proceedings (including motions), the chairperson may not adjourn the meeting without a resolution. If the chairperson violates the rules of procedure by adjourning the meeting, the meeting may continue by electing a chairperson with the consent of more than half of the voting rights of the attending shareholders.

The chairman shall give full opportunity to explain and discuss the motions and amendments or temporary motions proposed by the shareholders. When he deems the motions to be ready for a vote, he may declare the discussion closed and submit them for a vote.

Article 11

Before attending a shareholder meeting to speak, a speech form must be filled out, specifying the main points of the speech, the shareholder's account number (or attendance certificate number) and name. The chairman will then determine the order of their speeches.

Shareholders who submit a statement slip but do not speak will be deemed not to have spoken. In case of any discrepancy between the content of their statement and the information recorded on the statement slip, the content of the statement shall prevail.

Each shareholder may speak on the same motion no more than twice without the chairman's permission, and each time may not exceed five minutes. However, the chairman may stop a shareholder from speaking if the speech violates the rules or goes beyond the scope of the agenda.

When attending a shareholder's speech, other shareholders shall not speak or interfere without the consent of the chairman and the speaking shareholder. The chairman shall stop any violator who violates this rule.

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

After the attending shareholders speak, the chairman may personally or designate a relevant person to respond.

If the shareholders' meeting is held via video conference, shareholders participating via video conference may ask questions in writing on the video conference platform after the chairman announces the start of the meeting and before the chairman announces the adjournment. Each question may be asked no more than twice, and each question may be limited to 200 characters. The provisions of items one through five do not apply.

If the question in the preceding paragraph does not violate any regulations or exceed the scope of the proposal, it is advisable to disclose the question on the shareholders' meeting video conference platform so that all parties are aware of it.

Article 12

Voting at shareholders' meetings should be based on shares.

Shareholders' resolutions do not include the number of shares held by shareholders without voting rights in the total number of issued shares.

Shareholders who have a conflict of interest with respect to any matter at the meeting that could potentially harm the interests of the company shall not participate in the voting, nor shall they act as proxies for other shareholders to exercise their voting rights.

The number of shares that are not eligible to exercise voting rights under the preceding paragraph shall not be included in the number of voting rights of shareholders present. Except for trust companies or stock brokerage agencies approved by the securities regulatory authority, when one person is entrusted by two or more shareholders at the same time, the voting rights represented by him or her shall not exceed three percent of the total voting rights of the issued shares. If the number of such voting rights exceeds three percent, the excess voting rights shall not be counted.

Article Thirteen

Each shareholder has one vote ; however, this does not apply to those who are restricted or have no voting rights as listed in Section 179, Paragraph 2 of the Companies Act.

When convening a shareholders' meeting, the Company shall exercise its voting rights electronically and may also exercise them in writing; the method of exercising voting rights, whether in writing or electronically, shall be specified in the notice of the shareholders' meeting. Shareholders who exercise their voting rights in writing or electronically shall be deemed to have attended the shareholders' meeting in person. However, in respect of any temporary motions at that shareholders' meeting or amendments to the original resolutions, such motions shall be deemed as abstentions, and therefore the Company should refrain from proposing temporary motions or amendments to the original resolutions.

Those who exercise their voting rights in writing or electronically as mentioned above shall deliver their declaration of intent to the company two days prior to the shareholders' meeting. In the event of duplicate declarations of intent, the earliest delivery shall prevail. However, this shall not apply to declarations of intent that are revoked.

If a shareholder exercises their voting rights in writing or electronically and wishes to attend the shareholders' meeting in person or via video, they should revoke their declaration of intent to exercise those rights two days prior to the meeting in the same manner as exercising the voting rights. If the revocation is made after this period, the voting rights exercised in writing or electronically shall prevail. If a shareholder exercises their voting rights in writing or electronically and appoints a proxy to attend the shareholders' meeting on their behalf, the voting rights exercised by the proxy shall prevail.

Unless otherwise stipulated by the Company Law and the Company's Articles of Association, resolutions shall be passed by a majority vote of the shareholders present. During the voting process, the Chairman or his designated person shall announce the total number of voting rights of the shareholders present for each resolution, and the shareholders shall vote on each resolution individually. The results of votes in favor, against, and abstentions shall be entered into the public information observation station on the same day after the shareholders' meeting.

When there are amendments or alternatives to the same motion, the chairperson shall determine the order of voting in conjunction with the original motion. If one motion has been passed, the others shall be deemed rejected and no further votes shall be required.

If the chairman consults with all present shareholders and no objection is received, the proposal shall be deemed passed and shall have the same effect as a vote; if there is any objection, a vote shall be taken in accordance with the preceding provisions.

The vote counters and supervisors for the voting on the resolutions shall be appointed by the chairman, but the vote counters shall be shareholders.

The vote counting for resolutions voted on or elected at a shareholders' meeting shall be conducted in a public area within the shareholders' meeting venue, and the voting results, including the weights used in the tally, shall be announced on the spot after the vote counting is completed and a record shall be made.

The Company is holding a shareholders' meeting via video conference. Shareholders participating via video conference shall vote on all resolutions and election proposals through the video conference platform after the chairman announces the start of the meeting. Voting shall be completed before the chairman announces the end of the voting period. Those who fail to do so shall be deemed to have abstained.

When a shareholders’ meeting is held via video conference, a one-time vote count shall be conducted after the chairman announces the end of the voting period, and the voting and election results shall be announced.

When the Company holds a video-assisted shareholders' meeting, shareholders who have registered to attend the meeting via video in accordance with Article 6 and wish to attend the meeting in person should cancel their registration in the same manner as they registered two days before the meeting. Those who cancel their registration after the deadline may only attend the meeting via video.

Those who exercise their voting rights in writing or electronically, without withdrawing their declaration of intent, and who participate in the shareholders' meeting via video conference, may not exercise their voting rights on the original resolutions, or propose amendments to the original resolutions, or exercise their voting rights on amendments to the original resolutions, except for motions to be passed temporarily.

Article 14

When electing directors at a shareholders' meeting, the election shall be conducted in accordance with the relevant election rules established by the company, and the election results shall be announced on the spot, including the list of elected directors and their number of elected votes, and the list of unelected directors and supervisors and their number of elected votes.

the aforementioned election items shall be sealed and signed by the ballot supervisors, properly kept, and retained for at least one year. However, if a shareholder initiates a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the lawsuit is concluded.

Article 15

Resolutions passed at the shareholders' meeting shall be recorded in minutes, which shall be signed or sealed by the chairman and distributed to all shareholders within twenty days after the meeting. Minutes may be prepared and distributed electronically.

The distribution of the aforementioned minutes may be carried out by the Company through the method of posting on the Public Information Observatory.

The minutes of the meeting shall accurately record the year, month, day, venue, chairman's name, resolution method, key points of the proceedings, and voting results (including the weighting of votes). When electing directors or supervisors, the number of votes received by each candidate shall be disclosed. The minutes shall be kept in perpetuity for the duration of the company's existence.

When a shareholders' meeting is held via video conference, the minutes shall, in addition to the matters required to be recorded in the preceding paragraph, record the start and end times of the meeting, the method of convening the meeting, the names of the chairperson and the recorder, and the handling methods and circumstances in the event of obstacles to the video conference platform or participation via video due to natural disasters, incidents or other force majeure.

In addition to complying with the preceding provisions, when the Company holds a video shareholders' meeting, it shall also specify in the minutes the alternative measures provided to shareholders who have difficulty participating in the shareholders' meeting via video.

Article 16

The number of shares solicited by the solicitor, the number of shares represented by the proxy, and the number of shares attended by shareholders in writing or electronically shall be clearly displayed in a statistical table prepared in accordance with the prescribed format on the day of the shareholders' meeting. If the shareholders' meeting is held via video conference, the company shall upload the aforementioned information to the shareholders' meeting video conference platform at least thirty minutes before the start of the meeting and continue to display it until the end of the meeting.

When the Company holds a shareholders' meeting via video conference, the total number of shares held by shareholders present shall be disclosed on the video conference platform upon the announcement of the meeting. The same applies if a separate tally of the total number of shares and voting rights of shareholders present is conducted during the meeting.

If any matter resolved at the shareholders' meeting falls under the category of material information as required by law or the regulations of the Taiwan Stock Exchange Corporation (Taiwan Securities Exchange Center), the Company shall transmit the information to the Public Information Observation Station within the prescribed time.

Article 17

Staff members handling shareholder meetings should wear identification badges or armbands.

The chairperson may direct marshals or security personnel to assist in maintaining order in the meeting room. When marshals or security personnel are present to assist in maintaining order, they should wear armbands or identification badges with the word "Marshal" on them.

If a shareholder violates the rules of procedure, refuses to comply with the chairman's corrections, and obstructs the meeting, and still refuses to comply after being stopped, the chairman may instruct the marshals or security personnel to ask them to leave the meeting room.

Article 18

During a meeting, the chairperson may decide on a recess time. In the event of force majeure, the chairperson may decide to temporarily suspend the meeting and announce the time for the meeting to resume as appropriate.

Article 19

If the shareholders' meeting is held via video conference, the company shall, immediately after the voting concludes, disclose the voting results and election results on the shareholders' meeting video conference platform as required, and shall continue to disclose them for at least fifteen minutes after the chairman announces the adjournment.

Article 20

When the Company holds a video shareholders' meeting, the chairman and the recorder shall be at the same location in the country, and the chairman shall announce the address of that location at the start of the meeting.

Article 21

If the shareholders' meeting is held via video conference, the Company may provide shareholders with a simple connection test before the meeting and provide relevant services in real time before and during the meeting to assist in handling technical communication issues.

If a shareholders' meeting is convened via video conference, the chairman shall, upon announcing the commencement of the meeting, separately announce that, except for the circumstances under Article 44.20 of the Shareholders' Affairs Guidelines for Publicly Offered Companies where there is no need for postponement or continuation of the meeting, if, before the chairman announces the adjournment of the meeting, an obstacle occurs to the video conference platform or participation via video due to force majeure and lasts for more than 30 minutes, the date for postponement or continuation of the shareholders' meeting shall not be subject to the provisions of Article 182 of the Company Act.

When a shareholders’ meeting is postponed or extended in accordance with the preceding paragraph, there is no need to discuss and resolve again any resolutions that have already been voted on and counted and whose voting results or the list of elected directors has been announced.

If the Company postpones or reschedules a meeting in accordance with the provisions of Paragraph 2, it shall complete the relevant preparatory work in accordance with the provisions of Article 44-24 of the Shareholders' Affairs Guidelines for Publicly Issued Companies, on the original date of the shareholders' meeting and in accordance with the provisions of that article, and shareholders listed in the register of shareholders on the original date of the shareholders' meeting shall be entitled to attend the shareholders' meeting.

For the period specified in Article 12 (last paragraph) and Article 13 (3) of the Rules for the Use of Proxy Forms for Attending Shareholders' Meetings by Publicly Issued Companies, and Article 44-5 (2), Article 44-15, and Article 44-17 (1) of the Guidelines for the Handling of Shareholder Affairs by Publicly Issued Companies, the Company shall handle the postponement or reschedule of the shareholders' meeting in accordance with the provisions of Article 2.

If, during a video-assisted shareholders' meeting convened by the Company, the second provision prevents the continuation of the video meeting, and if, after deducting the number of shares present at the shareholders' meeting via video, the total number of shares present still meets the statutory quota resolved at the shareholders' meeting, the shareholders' meeting may continue without the need for postponement or continuation of the meeting as stipulated in the second provision.

When the Company holds a video shareholders' meeting, it shall provide appropriate alternative measures for shareholders who have difficulty attending the meeting via video.

Article 22

Matters not covered in these rules shall be handled in accordance with the provisions of the Company Law and other relevant laws and articles of association.

These rules shall come into effect upon approval by the shareholders' meeting, and the same applies to any amendments.