Stock Code: 2634

Aerospace Industrial Development Corporation
Meeting Minutes
of
2025 Annual Shareholders' Meeting

(Translated from Mandarin)

Date: 22 May 2025

Location: Hsiang Yuan Resort
No. 176, Lane 20, Zhongzhen Road, Shalu District,
Taichung City, Taiwan

Meeting Type: Hybrid Shareholders' Meeting
(Physical Shareholders' Meeting Supported By Visual Conference)

(The content of this document has been translated from the original which was written in Mandarin and is for reference purpose only. In the event of any inconsistency between the English version and the Mandarin version, the Mandarin version shall prevail.)

Aerospace Industrial Development Corporation (AIDC)
2025 Annual Shareholders′ Meeting Agenda

Meeting Type:	Hybrid Shareholders′ Meeting (Physical Shareholders′ Meeting Supported By Visual Conference)
Time:	10:00 a.m., 22 May 2025 (Thursday)
Location:	Hsiang Yuan Resort No.176, Lane 20, Zhongzhen Road, Shalu District, Taichung City, Taiwan
Virtual Meeting Platform:	Taiwan Depository & Clearing Corporation https://stockservices.tdcc.com.tw

I. Meeting Commencement Announcement

II. Chairman′s Address

III. Reports
   (1) Business Report of 2024
   (2) Audit Committee Review Report of 2024
   (3) Report on 2024 Compensation to Employees and Directors

IV. Ratifications
   (1) Ratification of the 2024 Business Report and Financial Statements
   (2) Ratification of the Proposal for Earnings Distribution of 2024 Profits

V. Discussion
   Amendments to Company′s Articles of Incorporation

VI. Extempore Motions

VII. Meeting Adjournment

Aerospace Industrial Development Corporation (AIDC)
2025 Annual Shareholders′ Meeting Minutes

Meeting Type: Hybrid Shareholders′ Meeting
(Physical Shareholders′ Meeting Supported By Visual Conference)

Time: 10:00 a.m., 22 May 2025 (Thursday)

Location: Hsiang Yuan Resort
No.176, Lane 20, Zhongzhen Road, Shalu District, Taichung City, Taiwan

Virtual Meeting Platform: Taiwan Depository & Clearing Corporation
https://stockservices.tdcc.com.tw

Total outstanding AIDC shares: 941,867,101 shares

Total shares represented by the shareholders who were present in person or by proxy: 499,379,937 shares (including 455,310,954 shares cast electronically, 0 shares cast through the virtual meeting platform.)

Percentage of outstanding shares held by shareholders who were present in person or represented by proxy: 53.02%, by which a quorum was present.

Acting Chairman: Wan-June Ma, Executive Director of the Board of Directors
(Chairman Kai-Hung Hu was unable to host the meeting due to official duties. Therefore, in accordance with Article 208 of the Company Act and Article 16 of the Articles of Incorporation, Executive Director Wan-June Ma was duly designated to act on behalf of the Chairman and preside over the 2025 Annual Shareholders' Meeting.)

Directors Present: Wan-June Ma; Mu-Lai Hsiao; Cheng-Tao Yu;
Chia-Chang Chan (Convener of Audit Committee);
Yin-Chin Chen (Convener of Cybersecurity Committee);
Yi-Shen Wang (Convener of Remuneration Committee).
The number of directors attending exceeded 1/2 of the total seats of the Board.

Additional Attendee: Done-Yuin Tseng (Accountant)

I. Meeting Commencement Announcement

(The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairman called the meeting to order.)

II. Chairman's Address (omitted)

III. Reports

Item 1: Business Report of 2024, as shown in Attachment I.

No questions raised by the shareholders.

Acknowledged.

Item 2: Audit Committee Review Report of 2024, as shown in Attachment II.

No questions raised by the shareholders.

Acknowledged.

Item 3: Report on 2024 Compensation to Employees and Directors, as shown in Attachment III.

No questions raised by the shareholders.

Acknowledged.

IV. Ratifications

Item 1: Ratification of the 2024 Business Report and Financial Statements (Proposed by the Board of Directors)

Description:

I. AIDC′s 2024 Financial Statements (including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows) had been reviewed and audited by Mr. Done-Yuin Tseng and Ms. Shu-Chin Chiang, CPAs of Deloitte & Touche.

II. Business Report of 2024, Independent Auditors′ Report and 2024 Financial Statements are shown in Attachments I and IV.

No questions raised by the shareholders.

Resolved, that the above proposal was accepted as proposed.

Voting Results:
Shares represented at the time of voting: 498,988,937

Item	Electronic vote	Video vote	In-person vote	Total (shares)	%
Approval	431,700,435	0	43,396,530	475,096,965	95.21%
Disapproval	247,406	0	0	247,406	0.04%
Invalid	0	0	0	0	0.00%
Abstention / No votes	23,363,113	0	281,453	23,644,566	4.73%

Item 2: Ratification of the Proposal for Earnings Distribution of 2024 Profits. (Proposed by the Board of Directors)

Description:
I. The company′s net profit after taxes for 2024 was $2,168,067,010 NT dollars. Based on Article 28-1 “Reserve Allocation” of the Company′s Articles of Incorporation, the Company plans to distribute a cash dividend of $1.38 NT dollars per share. The current distributable surplus is $1,299,776,599 NT dollars, as shown in Attachment V.

II. The distribution of cash dividend will be calculated to the nearest NT dollar. Residual amount, if any, less than one NT dollar will be transferred into and recognized as other income of the company.

No questions raised by the shareholders.

Resolved, that the above proposal was accepted as proposed.

Voting Results:
Shares represented at the time of voting: 498,988,937

Item	Electronic vote	Video vote	In-person vote	Total (shares)	%
Approval	431,644,377	0	43,396,530	475,040,907	95.20%
Disapproval	339,920	0	0	339,920	0.06%
Invalid	0	0	0	0	0.00%
Abstention / No votes	23,326,657	0	281,453	23,608,110	4.73%

V. Discussion

Proposal: Amendments to Company′s Articles of Incorporation. (Proposed by the Board of Directors)

Description:
I. The amendment of Article 2 of the Company′s Articles is made to expand the company′s scope of operations and with the MOEA's "List of Codes of Business Activities of Companies, Firms, and Limited Partnerships". Additionally, Article 28 of the Company′s Articles of Association will be amended in accordance with Article 14, Paragraph 6 of the Securities and Exchange Act.

II. The comparisons between the original and the amended provisions are shown in Attachment VI.

No questions raised by the shareholders.

Resolved, that the above proposal was approved as proposed.

Voting Results:
Shares represented at the time of voting: 498,988,937

Item	Electronic vote	Video vote	In-person vote	Total (shares)	%
Approval	431,571,673	0	43,396,530	474,968,203	95.18%
Disapproval	293,795	0	0	293,795	0.05%
Invalid	0	0	0	0	0.00%
Abstention / No votes	23,445,486	0	281,453	23,726,939	4.75%

VI. Extempore Motion

Question raised by the shareholder (Account #178696)：

What are the competitive advantages of AIDC's Counter Unmanned Aircraft System (CUAS) in the global market?

Acting Chairman Ma：

Based on our strategy and market segmentation considerations, we leverage our expertise and technical experience in avionics to focus on developing Counter Unmanned Aircraft System (CUAS), where higher margins may be attained. This system integrates AIDC’s technology with advanced modules and incorporates AI technology to enable fully automated detection, positioning, and response actions. This product is highly competitive in the market.

VII. Meeting Adjournment （10:41 a.m., 22 May 2025)

The Acting Chairman announced the meeting adjourned.

This meeting minutes is a summary of the Shareholders' Meeting. The video/audio recording shall prevail as to the actual proceeding.

Attachment I

Aerospace Industrial Development Corporation
Business Report of 2024

Facing environmental uncertainties after the pandemic and rising labor awareness, AIDC continued to strengthen internal operational flexibility and adaptability and improve external business performance in 2024, resulting in the Company's revenue reaching record highs. Internally, we will strengthen skills passed on by personnel, conduct assessments, promote AI, and strengthen information security measures, laying a more solid foundation for the Company's continued growth. Externally, we will dedicate our efforts to pursuing business opportunities in the maintenance of various types of military aircraft, the production of civil aircraft and engines, and the energy business. In the distribution business, we have achieved initial results by saving on procurement costs and creating profits. Facing the challenge of material and labor shortages in the global supply chain and the rise of U.S. trade protectionism, we plan to set up a factory in the United States through our U.S. subsidiary to get closer to U.S. system vendors, build a stable supply chain, and achieve better cost effectiveness.

Looking back at 2024, in terms of military business: The Company continues to mass produce new advanced jet trainers and carry out fleet maintenance operations. Although delivery has been affected by the disruption to the global aviation supply chain after the epidemic, the Company has exhausted all means to reduce the impact of the disruption on delivery by maintaining close contact with system suppliers and urging them to deliver materials, switching to self-manufacturing, and catching up with three shifts working around the clock. In response to the tense situation across the Taiwan Strait, we are working with the Air Force to actively improve the availability of fighter jets, which led to an increase in maintenance business and contributed considerable revenue. In addition, we actively engaging in the R&D of anti-drone systems to seize related business opportunities. Civilian business: Following the strong recovery of the global aviation market, the Company utilized its capabilities to seize business opportunities after the pandemic. The civilian business has grown to account for 40% of revenue, and we continue to stably perform contracts and reduce costs. In addition, we are actively faced the rising costs of raw materials and labor by negotiating price adjustments with customers, and successfully increased revenue and gross profit. Technology service business: Based on the experience of building three energy storage demonstration sites and major projects of Taiwan Power Company (Tongxiao) and CPC Corporation (Yongan and Wuqi), we have successfully developed our own energy management system (EMS) and battery management system (BMS) technologies, and continued to accumulate capabilities in system planning, design, integration, construction, operation, and maintenance. We also actively promote the concept of generative AI and have achieved initial results in its application.

Looking towards 2025, in the military business, we will exert every effort in the mass production of new advanced jet trainers and fleet maintenance; the maintenance of IDF, AH-1W Cobra, and UH-60M Black Hawk helicopters; properly utilize the resources accumulated from the F-16 A/B performance improvement project; pursue business related to the purchase of new F-16V fighters. As the organizer of the F-16 Maintenance and Repairs Center, we will actively assist the Air Force in solving the urgent equipment shortage, guide manufacturers to build domestic capabilities, and continue to seek business for various types of military aircraft performance improvement and maintenance. As the leading company in the Taiwan Excellence Drone International Business Opportunities Alliance (TEDIBOA), we will collaborate with domestic drone companies and industry to lead Taiwan's drone industry towards the goal of becoming the center of the Asia-Pacific drone supply chain. In the civilian business, we will fully utilize our current production capacity to seize business opportunities brought by the disruption of global supply chains and secondary suppliers becoming unable to deliver, and focus on high value products for blue ocean markets, while pursuing a higher percentage of manufacturing. We will also actively develop thermoplastic composite, forging, and casting technologies, and seek to participate in the R&D of new commercial and regional passenger aircrafts. In the technology service business, we will continue to focus on the energy industry, and utilize our experience and reputation from projects of CPC Corporation, Tongxiao, and self-built energy storage demonstration sites to target the domestic gas turbine generator market and increase market share. We will also combine our EMS and BMS core technologies with our experience in power plant construction turnkey projects, work with major manufacturers in developing products, and seek to enter blue ocean markets in Taiwan and overseas as we continue to expand the flight, information service, AI simulation, and space markets. In the investment and distribution business, we will actively carry out the construction and operation of our new plant in the United States, improve the return on our investments, seek new products to distribute, and increase the distribution amount.

Facing the new global political and economic situation, the Company will continue to develop military, civilian, technology services, and investment and distribution businesses according to the government's policies on developing the military industry, energy transformation, and net-zero emissions, as well as the strong recovery of the global aviation market. We will focus on forward-looking key technologies and transform and seek blue ocean markets, in order to elevate our international technological status and market influence, and drive the Company's continued steady growth.

We will also continue to implement ESG and sustainable development measures, actively respond to the global trend of net zero emissions, increase operational flexibility and adaptability, make corporate governance transparent, and continue to promote generative AI, deepening and broadening its practical applications. We firmly believe that these actions will create greater value for our shareholders and maximize shareholders' equity.

We are grateful to our shareholders for supporting the projects of AIDC, and will report our business performance in 2024 and business plan for 2025 below.

2024 Operational Report

Revenue and profitability

Despite the turbulences of quality issues with Boeing passenger aircrafts and the Boeing strike in 2024, and the material shortage in the global aerospace supply chain delaying deliveries of the Brave Eagle advanced jet trainer, the Company relied on flexible management mechanisms to actively respond to the challenges, shorten the connection to the supply side, and urging delivery of key components, thereby mitigating the impact of material shortages and delays in the delivery of advanced jet trainers. Looking at the whole year, revenue from the defense business was flat because the revenue from advanced jet trainers is recognized based on the completion rate. Although the energy storage and energy creation business was affected by policies and supply of the electricity market, major businesses are still in the works and have been relatively quiet. Thanks to the continued recovery momentum of the civilian business, we have made some gains in the aircraft and engine businesses, which contributed to the continued revenue growth throughout the year.

AIDC's 2024 consolidated operating revenue was NT$39.33832 billion, up 0.6% compared with the NT$39.1 billion in the previous year; gross profit was NT$3.72445 billion, down 14.5% compared with the NT$4.35795 billion in the previous year; operating profit was NT$2.21862 billion, down 20.5% compared with the NT$2.79066 billion in the previous year; net profit after tax was NT$2.16807 billion, down 2.6% compared with the NT$2.22590 billion in the previous year; Earnings per share was NT$2.3.

Research and development

In coordination with the Company's business strategies and business plans, a total of 35 R&D projects were implemented in 2024, and R&D expenses was approximately NT$620 million, which was invested in the development of military aircraft, new product development, management technologies, repair technologies, and manufacturing technologies. The projects expand the Company's key technology capabilities, and increase opportunities for developing military and civilian businesses.

Awards

Implementing corporate governance

* Ranked in the top 6-20% of TWSE-listed companies in the 2023 (10th) Corporate Governance Evaluation in April 2024.
* Selected by Taiwan Index Plus Corporation as a constituent stock of the TWSE Corporate Governance 100 Index and Taiwan Employment Creation 99 Index in July 2024.
* Received the High-Performance Team Certificate from Rolls-Royce in July 2024.
* Received the 2024 Most Improved Supplier Award from Rolls-Royce in September 2024.
* Received the 2023 Diamond Supplier Award from Bombardier Inc. in September 2024.

Developing a sustainable environment

* Selected as an excellent manufacturer of ESG and collaborative development of domestic spare parts by Taipei Rapid Transit Corporation in March 2024.
* Received the "2024 Outstanding Occupational Health Nurse Award" by the Taiwan Association of Occupational Health Nurses in April 2024.
* Received the "2024 Excellent Nurse Award" by Kaohsiung City in May 2024.
* Received the "2024 Excellent Occupational Safety and Health Promotion Personnel Award" from Taichung City in September 2024.
* Recognized for "Excellence in Occupational Safety and Health" by Kaohsiung City Government in September 2024.

* Recognized in the 2024 "Top 100 Carbon Competitiveness" of Business Weekly in November 2024.
* Received the Silver Award in the Energy Saving Benchmark Award of the Ministry of Economic Affairs in December, 2024.

Maintaining employee relations and care for society

* Selected into 10th National Outstanding Labor Volunteer Service Team by the Ministry of Labor in March 2024.
* Selected as a 2024 Outstanding Youth by the Taichung City Youth Committee of the China Youth Corps in April 2024.
* Received the "Model Disabled Worker Award" from Taichung City in November 2024.
* Recognized for "Excellence in Employing Persons with Disabilities" by Taichung City in November 2024.
* Received the "Excellent Unit Award" for workplace employee health in 2024 from the Department of Health, Kaohsiung City Government in December 2024.

2025 Business Plan

Continue to develop military, civilian, technology services, and investment and distribution businesses according to the government's policies on developing the military industry, energy transformation, and net-zero emissions, as well as the strong recovery of the global aviation market, and pursue growth.

Business development direction

* Military businesses: Complete ongoing projects according to schedule while meeting quality requirements, including the manufacturing of advanced jet trainer, fleet maintenance, commercial maintenance of IDF, Cobra, and Black Hawk helicopters, scientific research projects of the National Chung-Shan Institute of Science and Technology, and the manufacturing of equipment and missile parts and components. Pursue business opportunities from newly purchased F-16V fighters, as well as maintenance and service life extension for F16 fighters. Accelerate the upgrade of the IDF electronic warfare system, and pursue business opportunities in performance improvement, maintenance, and outsourcing of various aircrafts and fleets, as well as drone and anti-drone systems. Work with domestic drone corporations and industries in coordination with government policy, and establish a drone mass production center to lead Taiwan's drone industry towards the goal of becoming the center of the Asia-Pacific drone supply chain.

* Civil aviation businesses: Fully utilize current production capacity, secure existing orders, focus on high value products in blue ocean markets, pursue a higher percentage of manufacturing, actively form strategic alliances, and jointly take on orders. Expand casting capabilities and production capacity to meet customer needs for one-stop services. Continue to develop thermoplastic composites, pursue commercial engine forging and casting technology, build high-value forging and casting capabilities, and pursue civilian forging and casting business opportunities. Seek opportunities to participate in the R&D of new commercial and regional passenger aircrafts. Enter the field of civil aircraft engine maintenance and expand to related businesses.

* Technology services: Continue to focus on the energy industry, target the domestic gas turbine generator market, and increase market share in the nation's energy transition stage. Continue to build capabilities in system planning, design, integration, implementation, operation, and maintenance, in order to seize business opportunities in energy storage turnkey projects and system integration. Utilize experience from energy, battery management system, and power plant construction turnkey projects, and work with major companies in product development to seize domestic and overseas blue ocean markets as a comprehensive energy turnkey service provider. Continue to expand the aviation, information service, AI simulation, and space markets.
* Investments and distribution business: Actively expand the scale of distribution and return on investment.

Business administration policy

AIDC links the core philosophy of corporate sustainability to the Company's vision, strategies, goals, key tasks of each department, and action plans. We continue to improve management work and take measures under the strategic goals to "elevate technical capabilities for high-end products," "take the initiative to become a first mover to secure mass production purchase orders," "implement global strategic outsourcing to enhance competitiveness," "expand the scope of business and implement business transition," and "improve management performance and activate human resources." These measures aim to ensure that 2025 business goals are achieved.

In light of the global trend of net zero emissions, Taiwan has written the goal to achieve net zero emissions by 2050 into law. As the leader of the domestic aviation industry, it is AIDC's responsibility to continue down the pathway to carbon neutrality by 2050. We will accelerate the transition to low carbon, improve business flexibility and response ability, seize carbon reduction business opportunities, create sustainable value, and look forward to jointly creating a prosperous and sustainable future together with our shareholders.

AIDC will continue to pursue growth in 2025, and we are grateful to shareholders for their trust, encouragement, and advice. We look forward to shareholders providing even more support and care, and express our most sincere gratitude and blessings.

Chairman: Hu, Kai-Hung **President: Ma, Wan-June** **Accounting Supervisor: Huang, Hsiu-Yen**

Attachment II

Date: March 27, 2025

To: Aerospace Industrial Development Corporation
2025 Annual Shareholders' Meeting

Subject: Audit Committee Review Report

Dear Valued Shareholders,

The Board of Directors has prepared the Company's 2024 Business Report, Financial Statements, and proposal for allocation of profits. The CPA firm of Deloitte & Touche Tohmatsu was retained to audit AIDC's Financial Statements and has issued an audit report relating to Financial Statements. The Business Report, Financial Statements, and proposal for allocation of profits have been reviewed and determined to be correct and accurate by the Audit Committee of Aerospace Industrial Development Corporation. According to Article 219 of the Company Law and Article 14-4 of the Securities and Exchange Act, I hereby submit this report.

Sincerely,

Chan, Chia-Chang

Chan, Chia-Chang
Chairman of the Audit Committee

Attachment III

Aerospace Industrial Development Corporation
2024 Compensation to Employees and Directors

The Board of Directors has approved the proposal of the 2024 Employees' Compensation and Remuneration to Directors in the board meeting of March 27, 2025. The compensation will be distributed after the Annual Shareholders' Meeting.

1. Employees' compensation and the directors' remuneration are totaled respectively at NT$124,665,942 and NT$15,549,730 in cash.
2. The amounts, cited above as expenses of the 2024 net profit before income tax, are the same as the amounts proposed by the Board of Directors.

Attachment IV

Deloitte.

勤業眾信

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Aerospace Industrial Development Corporation

Opinion

We have audited the accompanying consolidated financial statements of Aerospace Industrial Development Corporation and its Subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in the Group's consolidated financial statements for the year ended December 31, 2024 is stated as follows:

Impairment loss of inventory

The Group assesses the impairment of inventory by identifying raw materials individually. The Group's assessment of impairment loss of raw materials was based on current market conditions and future consumption in accordance with IAS 2. Refer to Notes 5 and 9 to the consolidated financial statements. The assessment of impairment loss of raw materials involves management's critical judgment; therefore, we considered the impairment of inventory as a key audit matter. Our key audit procedures performed in regard to the impairment assessment included the following:

1. We selected samples of the inventory aging report and tested the completeness and accuracy of the inventory.

2. We selected samples of raw materials that were over 1 year, which were not recognized as obsolete, and confirmed the reasonableness of not recognizing the raw materials' obsolescence.

3. We tested the net realizable value of raw materials which were not recognized as obsolete and selected samples and calculated the allowance for impairment loss.

Other Matter

We have also audited the parent company only financial statements of Aerospace Industrial Development Corporation as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Done-Yuin Tseng and Shu-Chin Chiang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 27, 2025

Notice to Readers

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

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

AEROSPACE INDUSTRIAL DEVELOPMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	December 31			
	2024		2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 2,808,593	6	$ 3,367,456	8
Contract assets - current (Notes 4 and 23)	4,955,859	10	1,385,123	3
Notes receivable (Notes 4 and 8)	14,036	-	11,595	-
Trade receivables from unrelated parties (Notes 4 and 8)	9,800,271	20	7,396,361	17
Trade receivables from related parties (Notes 4 and 29)	520,698	1	259,722	1
Other receivables (Notes 4 and 8)	88,255	-	41,708	-
Current income tax asset	6,285	-	-	-
Inventories (Notes 4, 5 and 9)	14,952,713	30	15,515,727	35
Other financial assets - current (Notes 4, 15 and 30)	1,464,760	3	1,285,140	3
Other current assets (Notes 4, 16, and 29)	849,340	2	998,443	2
Incremental costs of obtaining a contract - current (Notes 4 and 23)	-	-	177,342	-
Total current assets	35,460,810	72	30,438,617	69
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 7)	24,773	-	49,719	-
Investments accounted for using the equity method (Notes 4 and 11)	1,058,087	2	1,069,500	3
Property, plant and equipment (Notes 4, 12 and 30)	9,449,086	19	8,928,023	20
Right-of-use assets (Notes 4 and 13)	1,439,782	3	1,496,517	3
Intangible assets (Notes 4 and 14)	597,178	1	770,080	2
Deferred tax assets (Notes 4 and 25)	351,592	1	396,447	1
Prepayments for equipment	433,525	1	381,407	1
Net defined benefit assets - non-current (Notes 4 and 21)	448,774	1	189,944	1
Other financial assets - non-current (Notes 4, 15 and 30)	8,057	-	42,008	-
Other non-current assets (Notes 4, 8 and 16)	106,070	-	100,319	-
Total non-current assets	13,916,924	28	13,423,964	31
TOTAL	$ 49,377,734	100	$ 43,862,581	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 17)	$ 6,400,000	13	$ 500,000	1
Short-term bills payable (Note 17)	6,442,388	13	7,444,470	17
Contract liabilities (Notes 4 and 23)	51,423	-	1,126,421	3
Trade payables to unrelated parties	2,968,257	6	2,748,132	6
Trade payables to related parties (Note 29)	74,232	-	27,891	-
Other payables (Notes 19 and 29)	4,113,604	9	4,052,888	9
Current tax liabilities (Notes 4 and 25)	83,755	-	565,010	1
Provisions -current (Note 20)	790,260	2	817,072	2
Lease liabilities - current (Notes 4 and 13)	112,713	-	103,904	-
Current portion of long-term borrowings and bonds payable (Note 18)	-	-	2,999,426	7
Other current liabilities	1,463,816	3	871,125	2
Total current liabilities	22,500,448	46	21,256,339	48
NON-CURRENT LIABILITIES				
Bonds payable (Note 18)	3,447,854	7	3,447,223	8
Long-term borrowings (Note 17)	3,000,000	6	-	-
Deferred tax liabilities (Notes 4 and 25)	510,595	1	341,702	1
Lease liabilities - non-current (Notes 4 and 13)	1,388,592	3	1,447,876	3
Long-term deferred revenue (Note 4)	11,652	-	7,348	-
Guarantee deposits	273,095	-	262,753	1
Total non-current liabilities	8,631,788	17	5,506,902	13
Total liabilities	31,132,236	63	26,763,241	61
EQUITY				
Ordinary shares	9,418,671	19	9,418,671	21
Capital surplus	18,251	-	11,746	-
Retained earnings				
Legal reserve	1,599,274	3	1,374,269	3
Special reserve	1,919,701	4	1,946,538	5
Unappropriated earnings	5,192,183	11	4,366,362	10
Other equity	97,418	-	(18,246)	-
Total equity	18,245,498	37	17,099,340	39
TOTAL	$ 49,377,734	100	$ 43,862,581	100

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

AEROSPACE INDUSTRIAL DEVELOPMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2024		2023	
	Amount	%	Amount	%
SALES (Notes 4, 23 and 29)	$ 39,338,315	100	$ 39,100,002	100
COST OF GOODS SOLD (Notes 9, 24 and 29)	35,613,870	90	34,742,053	89
GROSS PROFIT	3,724,445	10	4,357,949	11
OPERATING EXPENSES (Notes 24 and 29)				
Selling and marketing expenses	159,699	-	153,920	-
General and administrative expenses	722,126	2	762,874	2
Research and development expenses	624,161	2	655,683	2
Expected credit gain (Notes 4 and 8)	(164)	-	(5,192)	-
Total operating expenses	1,505,822	4	1,567,285	4
PROFIT FROM OPERATIONS	2,218,623	6	2,790,664	7
NON-OPERATING INCOME AND EXPENSES				
Other income (Notes 4 and 24)	93,410	-	155,853	1
Other gains and losses (Notes 4, 14 and 24)	237,945	1	(317,682)	(1)
Share of profit of associates (Note 4)	403,561	1	407,560	1
Interest income	85,850	-	65,428	-
Finance costs	(258,919)	(1)	(259,864)	(1)
Total non-operating income and expenses	561,847	1	51,295	-
PROFIT BEFORE INCOME TAX	2,780,470	7	2,841,959	7
INCOME TAX EXPENSE (Notes 4 and 25)	612,403	1	616,060	1
NET PROFIT FOR THE YEAR	2,168,067	6	2,225,899	6
OTHER COMPREHENSIVE INCOME (LOSS) (Note 4)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	207,064	-	24,150	-
Unrealized (loss) gain on investments in equity instruments designated as at fair value through other comprehensive income	(5,637)	-	6,346	-

(Continued)

AEROSPACE INDUSTRIAL DEVELOPMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2024		2023	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	$ 107,610	-	$ 20,491	-
Other comprehensive income for the year, net of income tax	309,037	-	50,987	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 2,477,104	6	$ 2,276,886	6
EARNINGS PER SHARE (Note 26)				
Basic	$ 2.30		$ 2.36	
Diluted	$ 2.29		$ 2.36	

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

AEROSPACE INDUSTRIAL DEVELOPMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company							
			Retained Earnings (Note 22)			Other Equity		
	Common Stock (Note 22)	Capital Surplus (Notes 4 and 11)	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statement of Foreign Operations	Unrealized gain (loss) on Investments in Equity Instruments Designated as at Fair Value Through Other Comprehensive Income	Total Equity
BALANCE AT JANUARY 1, 2023	$ 9,418,671	$ 4,981	$ 1,201,854	$ 2,055,275	$ 3,197,207	$ (9,256)	$ (35,827)	$ 15,832,905
Appropriation of 2022 earnings								
Legal reserve	-	-	172,415	-	(172,415)	-	-	-
Special reserve	-	-	-	(108,737)	108,737	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(1,017,216)	-	-	(1,017,216)
Changes in capital surplus from investments in associates accounted for using the equity method	-	6,765	-	-	-	-	-	6,765
Profit for the year ended December 31, 2023	-	-	-	-	2,225,899	-	-	2,225,899
Other comprehensive income for the year ended December 31, 2023, net of income tax	-	-	-	-	24,150	20,491	6,346	50,987
Total comprehensive income for the year ended December 31, 2023	-	-	-	-	2,250,049	20,491	6,346	2,276,886
BALANCE AT DECEMBER 31, 2023	9,418,671	11,746	1,374,269	1,946,538	4,366,362	11,235	(29,481)	17,099,340
Appropriation of 2023 earnings								
Legal reserve	-	-	225,005	-	(225,005)	-	-	-
Special reserve	-	-	-	(26,837)	26,837	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(1,337,451)	-	-	(1,337,451)
Changes in capital surplus from investments in associates accounted for using the equity method	-	6,505	-	-	-	-	-	6,505
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	(13,691)	-	13,691	-
Profit for the year ended December 31, 2024	-	-	-	-	2,168,067	-	-	2,168,067
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	207,064	107,610	(5,637)	309,037
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	2,375,131	107,610	(5,637)	2,477,104
BALANCE AT DECEMBER 31, 2024	$ 9,418,671	$ 18,251	$ 1,599,274	$ 1,919,701	$ 5,192,183	$ 118,845	$ (21,427)	$ 18,245,498

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

AEROSPACE INDUSTRIAL DEVELOPMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	For the Year Ended December 31	
	2024	**2023**
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 2,780,470	$ 2,841,959
Adjustments for:		
Depreciation expense	1,307,749	1,250,920
Amortization expense	373,053	228,501
Expected credit	(164)	(5,192)
Finance costs	258,919	259,864
Interest income	(85,850)	(65,428)
Dividend income	(234)	(167)
Share of profit of associates	(403,561)	(407,560)
Loss on disposal of property, plant and equipment	457	-
Impairment loss recognized on non-financial assets	25,544	56,483
Unrealized net (gain) loss on foreign currency exchange	(100,247)	168,505
Recognition of provisions	78,256	345,444
Other income from liabilities	(4,281)	(318)
Loss on lease modification	2	-
Net changes in operating assets and liabilities		
Contract assets	(3,570,736)	135,856
Notes receivable	(2,441)	(7,944)
Trade receivables	(2,569,500)	711,843
Other receivables	(64,690)	15,394
Inventories	456,640	(2,097,039)
Other current assets	147,839	953,614
Incremental costs of obtaining a contract	177,342	(42,750)
Contract liabilities	(1,074,998)	(1,029,478)
Trade payables	263,311	1,091,886
Other payables	(70,235)	234,617
Other current liabilities	50,394	(131,137)
Deferred income	4,304	(912)
Cash (used in) generated from operations	(2,022,657)	4,506,961
Interest received	103,993	46,132
Interest paid	(252,235)	(262,591)
Income tax paid	(964,863)	(418,056)
Net cash (used in) generated from operating activities	(3,135,762)	3,872,446
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal of financial assets at fair value through other comprehensive income	19,309	-
Payments for property, plant and equipment	(1,385,896)	(807,570)
Increase in refundable deposits	(49,849)	(64,405)
Decrease in refundable deposits	55,713	43,289

(Continued)

AEROSPACE INDUSTRIAL DEVELOPMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	For the Year Ended December 31	
	2024	2023
Payments for intangible assets	$ (177,130)	$ (238,846)
Decrease (increase) in other financial assets	401,385	(333,720)
Increase in other non-current assets	(16,496)	(15,372)
Increase in prepayments for equipment	(271,690)	(347,770)
Dividends received	494,863	791,185
Net cash used in investing activities	(929,791)	(973,209)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	29,660,000	44,270,000
Repayments of short-term borrowings	(23,760,000)	(45,270,000)
Proceeds from short-term bills payable	25,936,984	42,812,213
Repayments of short-term bills payable	(26,939,066)	(41,755,633)
Repayments of Bonds payable	(3,000,000)	-
Proceeds from long-term borrowings	3,000,000	4,820,000
Repayments of long-term borrowings	-	(6,620,000)
Proceeds of guarantee deposits received	114,822	130,413
Refund of guarantee deposits received	(104,480)	(92,322)
Repayment of the principal portion of lease liabilities	(116,498)	(112,361)
Dividends paid to owners of the company	(1,337,451)	(1,017,216)
Net cash generated (used in) financing activities	3,454,311	(2,834,906)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	52,379	(10,352)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(558,863)	53,979
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	3,367,456	3,313,477
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 2,808,593	$ 3,367,456

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

Deloitte.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Aerospace Industrial Development Corporation

Opinion

We have audited the accompanying parent company only financial statements of Aerospace Industrial Development Corporation (the "Company"), which comprise the parent company only balance sheets as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the " parent company only financial statements").

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2024 and 2023, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in the Company's financial statements for the year ended December 31, 2024 is stated as follows:

Impairment loss of inventory

The Company assesses the impairment of inventory by identifying raw materials individually. The Company's assessment of the impairment loss of raw materials was based on current market conditions and future consumption in accordance with IAS 2. Refer to Notes 5 and 9 to the financial statements. The assessment of impairment loss of raw materials involves management's critical judgment; therefore, we considered the impairment of inventory as a key audit matter. Our key audit procedures performed in regard to the impairment assessment included the following:

1. We selected samples of the inventory aging report and tested the completeness and accuracy of the inventory.

2. We selected samples of raw materials that were over 1 year, which were not recognized as obsolete, and confirmed the reasonableness of not recognizing the raw materials' obsolescence.

3. We tested the net realizable value of raw materials which were not recognized as obsolete and selected samples and calculated the allowance for impairment loss.

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

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

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

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

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Done-Yuin Tseng and Shu-Chin Chiang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 27, 2025

<u>*Notice to Readers*</u>

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

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

AEROSPACE INDUSTRIAL DEVELOPMENT CORPORATION

PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	December 31			
	2024		2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 1,943,546	4	$ 3,061,101	7
Contract assets - current (Notes 4 and 23)	4,955,859	10	1,385,123	3
Notes receivable (Notes 4 and 8)	14,036	-	11,595	-
Trade receivables from unrelated parties (Notes 4 and 8)	9,798,558	20	7,396,029	17
Trade receivables from related parties (Notes 4 and 29)	518,644	1	256,948	1
Other receivables (Notes 4, 8 and 29)	87,035	-	22,023	-
Inventories (Notes 4, 5 and 9)	14,947,222	30	15,513,355	35
Other financial assets - current (Notes 4, 15 and 30)	1,437,260	3	848,769	2
Other current assets (Notes 4, 16 and 29)	835,576	2	990,486	2
Incremental costs of obtaining a contract- current (Notes 4 and 23)	-	-	177,342	1
Total current assets	34,537,736	70	29,662,771	68
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 7)	24,773	-	49,719	-
Investments accounted for using the equity method (Notes 4 and 10)	2,357,584	5	1,864,119	4
Property, plant and equipment (Notes 4, 11 and 30)	9,064,067	18	8,878,930	20
Right-of-use assets (Notes 4 and 12)	1,437,488	3	1,495,477	3
Investment properties (Notes 4 and 13)	11,891	-	20,218	-
Intangible assets (Notes 4 and 14)	596,515	1	770,080	2
Deferred tax assets (Notes 4 and 25)	351,593	1	396,396	1
Prepayments for equipment	433,525	1	381,407	1
Net defined benefit assets - non-current (Notes 4 and 21)	448,774	1	189,944	1
Other financial assets - non-current (Notes 4, 15 and 30)	8,057	-	42,008	-
Other non-current assets (Notes 4, 8 and 16)	105,675	-	100,025	-
Total non-current assets	14,839,942	30	14,188,323	32
TOTAL	$ 49,377,678	100	$ 43,851,094	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 17)	$ 6,400,000	13	$ 500,000	1
Short-term bills payable (Note 17)	6,442,388	13	7,444,470	17
Contract liabilities (Notes 4 and 23)	51,034	-	1,125,593	3
Trade payables to unrelated parties	2,965,161	6	2,746,536	6
Trade payables to related parties (Note 29)	75,888	-	28,372	-
Other payables (Notes 19 and 29)	4,120,231	9	4,052,933	9
Current tax liabilities (Notes 4 and 25)	82,484	-	557,077	1
Provisions - current (Notes 4 and 20)	790,260	2	817,072	2
Lease liabilities - current (Notes 4 and 12)	111,965	-	103,044	-
Current portion of long-term borrowings and bonds payable (Note 18)	-	-	2,999,426	7
Other current liabilities	1,463,190	3	870,702	2
Total current liabilities	22,502,601	46	21,245,225	48
NON-CURRENT LIABILITIES				
Bonds payable (Note 18)	3,447,854	7	3,447,223	8
Long-term borrowings (Note 17)	3,000,000	6	-	-
Deferred tax liabilities (Notes 4 and 25)	510,455	1	341,702	1
Lease liabilities - non-current (Notes 4 and 12)	1,387,524	3	1,447,740	3
Long-term deferred revenue (Note 4)	11,652	-	7,348	-
Guarantee deposits (Note 29)	272,094	-	262,516	1
Total non-current liabilities	8,629,579	17	5,506,529	13
Total liabilities	31,132,180	63	26,751,754	61
EQUITY				
Ordinary shares	9,418,671	19	9,418,671	21
Capital surplus	18,251	-	11,746	-
Retained earnings				
Legal reserve	1,599,274	3	1,374,269	3
Special reserve	1,919,701	4	1,946,538	5
Unappropriated earnings	5,192,183	11	4,366,362	10
Other equity	97,418	-	(18,246)	-
Total equity	18,245,498	37	17,099,340	39
TOTAL	$ 49,377,678	100	$ 43,851,094	100

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

AEROSPACE INDUSTRIAL DEVELOPMENT CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2024		2023	
	Amount	%	Amount	%
SALES (Notes 4, 23 and 29)	$ 39,246,798	100	$ 39,010,555	100
COST OF GOODS SOLD (Notes 9, 24 and 29)	35,605,763	91	34,739,937	89
GROSS PROFIT	3,641,035	9	4,270,618	11
OPERATING EXPENSES (Notes 24 and 29)				
Selling and marketing expenses	165,221	-	159,748	-
General and administrative expenses	648,043	2	686,150	2
Research and development expenses	624,161	1	655,683	2
Expected credit gain (Notes 4 and 8)	(164)	-	(5,192)	-
Total operating expenses	1,437,261	3	1,496,389	4
PROFIT FROM OPERATIONS	2,203,774	6	2,774,229	7
NON-OPERATING INCOME AND EXPENSES				
Other income (Notes 4 and 24)	93,155	-	155,846	1
Other gains and losses (Notes 4, 14 and 24)	238,074	1	(317,675)	(1)
Share of profits of subsidiaries and associates (Note 4)	360,539	1	342,439	1
Interest income	44,316	-	38,492	-
Finance costs	(258,870)	(1)	(259,818)	(1)
Total non-operating income and expenses	477,214	1	(40,716)	-
PROFIT BEFORE INCOME TAX	2,680,988	7	2,733,513	7
INCOME TAX EXPENSE (Notes 4 and 25)	512,921	1	507,614	1
NET PROFIT FOR THE YEAR	2,168,067	6	2,225,899	6
OTHER COMPREHENSIVE INCOME (LOSS) (Note 4)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	207,064	-	24,150	-
Unrealized (loss) gain (loss) on investments in equity instruments designated as at fair value through other comprehensive income	(5,637)	-	6,346	-

(Continued)

AEROSPACE INDUSTRIAL DEVELOPMENT CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2024		2023	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	$ 107,610	-	$ 20,491	-
Other comprehensive income for the year, net of income tax	309,037	-	50,987	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 2,477,104	6	$ 2,276,886	6
EARNINGS PER SHARE (Note 26)				
Basic	$ 2.30		$ 2.36	
Diluted	$ 2.29		$ 2.36	

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

AEROSPACE INDUSTRIAL DEVELOPMENT CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company							
			Retained Earnings (Note 22)			Other Equity		
	Common Stock (Note 22)	Capital Surplus (Notes 4 and 10)	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statement of Foreign Operations	Unrealized Gain (Loss) on Investments in Equity Instruments Designated as at Fair Value Through Other Comprehensive Income (Note 7)	Total Equity
BALANCE AT JANUARY 1, 2023	$ 9,418,671	$ 4,981	$ 1,201,854	$ 2,055,275	$ 3,197,207	$ (9,256)	$ (35,827)	$ 15,832,905
Appropriation of 2022 earnings								
Legal reserve	-	-	172,415	-	(172,415)	-	-	-
Special reserve	-	-	-	(108,737)	108,737	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(1,017,216)	-	-	(1,017,216)
Changes in capital surplus from investments in associates accounted for using the equity method	-	6,765	-	-	-	-	-	6,765
Profit for the year ended December 31, 2023	-	-	-	-	2,225,899	-	-	2,225,899
Other comprehensive income for the year ended December 31, 2023, net of income tax	-	-	-	-	24,150	20,491	6,346	50,987
Total comprehensive income for the year ended December 31, 2023	-	-	-	-	2,250,049	20,491	6,346	2,276,886
BALANCE AT DECEMBER 31, 2023	9,418,671	11,746	1,374,269	1,946,538	4,366,362	11,235	(29,481)	17,099,340
Appropriation of 2023 earnings								
Legal reserve	-	-	225,005	-	(225,005)	-	-	-
Special reserve	-	-	-	(26,837)	26,837	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(1,337,451)	-	-	(1,337,451)
Changes in capital surplus from investments in associates accounted for using the equity method	-	6,505	-	-	-	-	-	6,505
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	(13,691)	-	13,691	-
Profit for the year ended December 31, 2024	-	-	-	-	2,168,067	-	-	2,168,067
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	207,064	107,610	(5,637)	309,037
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	2,375,131	107,610	(5,637)	2,477,104
BALANCE AT DECEMBER 31, 2024	$ 9,418,671	$ 18,251	$ 1,599,274	$ 1,919,701	$ 5,192,183	$ 118,845	$ (21,427)	$ 18,245,498

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

AEROSPACE INDUSTRIAL DEVELOPMENT CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	For the Year Ended December 31	
	2024	**2023**
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 2,680,988	$ 2,733,513
Adjustments for:		
Depreciation expense	1,305,278	1,248,767
Amortization expense	372,849	228,501
Expected credit gain	(164)	(5,192)
Finance costs	258,870	259,818
Interest income	(44,316)	(38,492)
Dividend income	(234)	(167)
Share of profit of subsidiaries and associates	(360,539)	(342,439)
Loss on disposal of property, plant and equipment	457	-
Impairment loss recognized on non-financial assets	25,544	56,483
Unrealized net (gain) loss on foreign currency exchange	(100,247)	168,505
Recognition of provisions	78,256	345,444
Other income from liabilities	(4,281)	(318)
Benefits from lease modification	(5)	-
Net changes in operating assets and liabilities		
Contract assets	(3,570,736)	135,856
Notes receivable	(2,441)	(7,944)
Trade receivables	(2,568,839)	712,514
Other receivables	(65,063)	15,776
Inventories	458,841	(2,094,667)
Other current assets	154,564	960,942
Incremental costs of obtaining a contract	177,342	(42,750)
Contract liabilities	(1,074,559)	(1,030,306)
Trade payables	262,986	1,093,117
Other payables	(63,652)	230,996
Other current liabilities	50,191	(131,549)
Deferred income	4,304	(912)
Cash (used in) generated from operations	(2,024,606)	4,495,496
Interest received	44,367	38,499
Interest paid	(252,234)	(262,590)
Income tax paid	(852,626)	(314,976)
Net cash (used in) generated from operating activities	(3,085,099)	3,956,429
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal of financial assets at FVTOCI	19,309	-
Payments for property, plant and equipment	(1,049,186)	(807,482)
Increase in refundable deposits	(49,790)	(64,196)
Decrease in refundable deposits	55,623	43,289
Payments for intangible assets	(176,278)	(238,847)
Decrease (increase) in other financial assets	(7,486)	102,651

(Continued)

Attachment V

Aerospace Industrial Development Corporation
Proposal for Earnings Distribution of 2024 Profits

Currency: in NTD

Item	Amounts
Distributable earnings at beginning of period	2,830,740,631
Remeasurement of defined benefit plans	207,064,000
Reclassification of cumulative gains or losses from other comprehensive income to retained earings on disposal of equity instruments measured at fair value through other comprehensive income	-13,690,498
Distributable earnings after adjustment	3,024,114,133
Annual net profit after tax	2,168,067,010
Less Items:	
Legal reserve（10%）	-236,144,051
Add Items:	
Reverse previous year self-listing of Special reserve	18,246,004
Accumulate available for distribution surplus	4,974,283,096
Distribution Items：	
Cash dividend to shareholders (NT$1.38 per share)	-1,299,776,599
Total distribution	-1,299,776,599
Unappropriated earnings at the end of period	3,674,506,497

Chairman: Hu, Kai-Hung   President: Ma, Wan-June   Accounting Supervisor: Huang, Hsiu-Yen

Attachment VI

Mapping of the Amended Provisions of the Company's Articles of Incorporation and the Original Provisions

After amendment		Before amendment		Cause of amendment
Article 2	The scope of business of the Corporation shall be as follows: 1. CB01010 Machinery and Equipment Manufacturing 2. CD01060 Aircraft and Parts Manufacturing 3. I101100 Aviation Consultancy 4. JE01010 Rental and Leasing Business 5. IG03010 Energy Technical Services 6. CD01020 Tramway Cars Manufacturing 7. I599990 Other Designing 8. I199990 Other Consultancy 9. CB01030 Pollution Controlling Equipment Manufacturing 10. F113100 Wholesale of Pollution Controlling Equipment. 11. E605010 Computing Equipment Installation Construction 12. G502011 Aviation 13. F401010 International Trade 14. E701030 Restrained Telecom Radio Frequency Equipment and Materials Construction 15. E606010 Electricity Equipment Checking and Maintenance 16. I103060 Management Consulting Services 17. I401010 General Advertising Services 18. JB01010 Exhibition Services 19. CF01011 Medical Materials and Equipment Manufacturing 20. F108031 Wholesale of Drugs, Medical Goods 21. F208031 Retail sale of Medical Equipment	Article 2	The scope of business of the Corporation shall be as follows: 1. CB01010 Machinery and Equipment Manufacturing 2. CD01060 Aircraft and Parts Manufacturing 3. I101100 Aviation Consultancy 4. JE01010 Rental and Leasing Business 5. IG03010 Energy Technical Services 6. CD01020 Tramway Cars Manufacturing 7. I599990 Other Designing 8. I199990 Other Consultancy 9. CB01030 Pollution Controlling Equipment Manufacturing 10. F113100 Wholesale of Pollution Controlling Equipment. 11. E605010 Computing Equipment Installation Construction 12. G502011 Aviation 13. F401010 International Trade 14. E701030 Restrained Telecom Radio Frequency Equipment and Materials Construction 15. E606010 Electricity Equipment Checking and Maintenance 16. I103060 Management Consulting Services 17. I401010 General Advertising Services 18. JB01010 Exhibition Services 19. CF01011 Medical Materials and Equipment Manufacturing 20. F108031 Wholesale of Drugs, Medical Goods 21. F208031 Retail sale of Medical Equipment	1. Amendment to the provision. 2. Adjust the item numbers accordingly due to the deletion of item 33. 3. Add new business codes to enable business expansion and, as a result, adjust item number 47 to number 67 accordingly.

After amendment	Before amendment	Cause of amendment
22. D101060 Self-Usage Power Generation Equipment Utilizing Renewable Energy Industry 23. D101050 Steam and Electricity Para Genesis 24. CC01010 Electric Power Supply, Electric Transmission and Power Distribution Machinery Manufacturing 25. CC01100 Restrained Telecom Radio Frequency Equipment and Materials Manufacturing 26. CC01060 Wired Communication Equipment and Apparatus Manufacturing 27. CC01070 Telecommunication Equipment and Apparatus Manufacturing 28. F501990 Other Eating and Drinking Places Not Elsewhere Classified 29. H703100 Real Estate Rental and Leasing 30. CD01030 Automobiles and Parts Manufacturing 31. I301010 Software Design Services 32. J202010 Industry Innovation and Incubation Services (Deleted) 33. F107060 Toxic and Concerned Chemical Substances Wholesale Trade 34. E603050 Cybernation Equipment Construction 35. CA02030 Screw, Nut and Rivet Manufacturing 36. CA02060 Metal Containers Manufacturing 37. CA02990 Other Metal Products Manufacturing 38. CA03010 Heat Treatment 39. CA04010 Surface Treatments 40. CB01990 Other Machinery Manufacturing 41. CC01020 Electric Wires and Cables Manufacturing	22. D101060 Self-Usage Power Generation Equipment Utilizing Renewable Energy Industry 23. D101050 Steam and Electricity Para Genesis 24. CC01010 Electric Power Supply, Electric Transmission and Power Distribution Machinery Manufacturing 25. CC01100 Restrained Telecom Radio Frequency Equipment and Materials Manufacturing 26. CC01060 Wired Communication Equipment and Apparatus Manufacturing 27. CC01070 Telecommunication Equipment and Apparatus Manufacturing 28. F501990 Other Eating and Drinking Places Not Elsewhere Classified 29. H703100 Real Estate Rental and Leasing 30. CD01030 Automobiles and Parts Manufacturing 31. I301010 Software Design Services 32. J202010 Industry Innovation and Incubation Services 33. F107090 Wholesale of Industrial Explosives 34. F107060 Toxic and Concerned Chemical Substances Wholesale Trade 35. E603050 Cybernation Equipment Construction 36. CA02030 Screw, Nut and Rivet Manufacturing 37. CA02060 Metal Containers Manufacturing 38. CA02990 Other Metal Products Manufacturing 39. CA03010 Heat Treatment 40. CA04010 Surface Treatments 41. CB01990 Other Machinery Manufacturing 42. CC01020 Electric Wires and Cables Manufacturing	

After amendment	Before amendment	Cause of amendment
42. CC01080 Electronics Components Manufacturing 43. CC01110 Computer and Peripheral Equipment Manufacturing 44. CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing 45. CD01990 Other Transport Equipment and Parts Manufacturing 46. CQ01010 Mold and Die Manufacturing 47. CA01050 Steel Secondary processing 48. CA02080 Metal Forging 49. E502010 Fuel Catheter Installation Engineering 50. E599010 Piping Engineering 51. E601010 Electric Appliance Construction 52. E603010 Cable Installation Engineering 53. E603040 Fire Safety Equipment Installation Engineering 54. E604010 Machinery Installation 55. EZ05010 Instrument and Meters Installation Engineering 56. EZ13010 Nuclear Engineering 57. EZ15010 Warming and Cooling Maintenance Construction 58. EZ99990 Other Engineering 59. F114070 Wholesale of Aircraft and Component Parts Thereof 60. F114990 Wholesale of Other Traffic Means of Transport and Component Parts Thereof 61. F213060 Retail Sale of Telecommunication Apparatus 62. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories	43. CC01080 Electronics Components Manufacturing 44. CC01110 Computer and Peripheral Equipment Manufacturing 45. CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing 46. CD01990 Other Transport Equipment and Parts Manufacturing 47. CQ01010 Mold and Die Manufacturing 48. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.	

After amendment	Before amendment	Cause of amendment
63. F214060 Retail Sale of Ship and Component Parts Thereof 64. F214070 Retail Sale of Aircraft and Component Parts Thereof 65. G801010 Warehousing 66. J101050 Environmental Testing Services 67. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval		
Article 28 An amount not less than 0.58% and not more than 4.65% of the company's annual net profits before tax shall be allocated as employee remuneration, of which no less than 40% shall be distributed to the rank and file, and not more than 0.58% shall be allocated as remuneration for the directors of the Board. However, if there are accumulated losses, the amount to offset the losses shall be deducted, resulting in a corresponding reduction in the bonus/remuneration allocation.	Article 28 An amount not less than 0.58% and not more than 4.65% shall be allocated from the company's annual net profits as employee bonus, and not more than 0.58% as remuneration for the directors of the Board. However, if there are accumulated losses, the amount to offset the losses shall be deducted resulting in a corresponding reduction in the bonus/remuneration allocation.	1. Amendment to the provision. 2. Amendments are made according to Article 14, Paragraph 6 of the Securities and Exchange Act.
Article 30 The Articles of Incorporation of AIDC was instituted on March 5, 1996, with amendment for the 1st instance on June 14, 1996, the 2nd amendment was incorporated on June 24, 1996, … …., the 24th amendment was incorporated on May 29, 2020, the 25th amendment was incorporated on August 13, 2021, the 26th amendment was incorporated on May 27, 2022, and the 27th amendment was incorporated on May 22, 2025.	Article 30 The Articles of Incorporation of AIDC was instituted on March 5, 1996, with amendment for the 1st instance on June 14, 1996, the 2nd amendment was incorporated on June 24, 1996, … …., the 24th amendment was incorporated on May 29, 2020, the 25th amendment was incorporated on August 13, 2021, and the 26th amendment was incorporated on May 27, 2022.	1. Amendment to the provision. 2. Addition of the note on amendment (27th instance) and the date of amendment.

Aerospace Industrial Development Corporation
Articles of Incorporation (Draft)

Chapter I General Provisions

Article 1 The Corporation shall be incorporated, as a company limited by shares, under the Company Act of the Republic of China, and its name shall be 漢翔航空工業股份有限公司 in the Chinese language, and AEROSPACE INDUSTRIAL DEVELOPMENT CORPORATION in the English language.

Article 2 The scope of business of the Corporation shall be as follows:

1. CB01010 Machinery and Equipment Manufacturing
2. CD01060 Aircraft and Parts Manufacturing
3. I101100 Aviation Consultancy
4. JE01010 Rental and Leasing Business
5. IG03010 Energy Technical Services
6. CD01020 Tramway Cars Manufacturing
7. I599990 Other Designing
8. I199990 Other Consultancy
9. CB01030 Pollution Controlling Equipment Manufacturing
10. F113100 Wholesale of Pollution Controlling Equipment.
11. E605010 Computing Equipment Installation Construction
12. G502011 Aviation
13. F401010 International Trade
14. E701030 Restrained Telecom Radio Frequency Equipment and Materials Construction
15. E606010 Electricity Equipment Checking and Maintenance
16. I103060 Management Consulting Services
17. I401010 General Advertising Services
18. JB01010 Exhibition Services
19. CF01011 Medical Materials and Equipment Manufacturing
20. F108031 Wholesale of Drugs, Medical Goods
21. F208031 Retail sale of Medical Equipment
22. D101060 Self-Usage Power Generation Equipment Utilizing Renewable Energy Industry
23. D101050 Steam and Electricity Para Genesis
24. CC01010 Electric Power Supply, Electric Transmission and Power Distribution Machinery Manufacturing
25. CC01100 Restrained Telecom Radio Frequency Equipments and Materials Manufacturing
26. CC01060 Wired Communication Equipment and Apparatus Manufacturing
27. CC01070 Telecommunication Equipment and Apparatus Manufacturing
28. F501990 Other Eating and Drinking Places Not Elsewhere Classified
29. H703100 Real Estate Rental and Leasing
30. CD01030 Automobiles and Parts Manufacturing
31. I301010 Software Design Services
32. J202010 Industry Innovation and Incubation Services
33. F107090 Wholesale of Industrial Explosives
33. F107060 Toxic and Concerned Chemical Substances Wholesale Trade
34. E603050 Cybernation Equipments Construction
35. CA02030 Screw, Nut and Rivet Manufacturing
36. CA02060 Metal Containers Manufacturing
37. CA02990 Other Metal Products Manufacturing
38. CA03010 Heat Treatment
39. CA04010 Surface Treatments

40. CB01990 Other Machinery Manufacturing
41. CC01020 Electric Wires and Cables Manufacturing
42. CC01080 Electronics Components Manufacturing
43. CC01110 Computer and Peripheral Equipment Manufacturing
44. CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing
45. CD01990 Other Transport Equipment and Parts Manufacturing
46. CQ01010 Mold and Die Manufacturing
47. CA01050 Steel Secondary processing
48. CA02080 Metal Forging
49. E502010 Fuel Catheter Installation Engineering
50. E599010 Piping Engineering
51. E601010 Electric Appliance Construction
52. E603010 Cable Installation Engineering
53. E603040 Fire Safety Equipment Installation Engineering
54. E604010 Machinery Installation
55. EZ05010 Instrument and Meters Installation Engineering
56. EZ13010 Nuclear Engineering
57. EZ15010 Warming and Cooling Maintainance Construction
58. EZ99990 Other Engineering
59. F114070 Wholesale of Aircraft and Component Parts Thereof
60. F114990 Wholesale of Other Traffic Means of Transport and Component Parts Thereof
61. F213060 Retail Sale of Telecommunication Apparatus
62. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories
63. F214060 Retail Sale of Ship and Component Parts Thereof
64. F214070 Retail Sale of Aircraft and Component Parts Thereof
65. G801010 Warehousing
66. J101050 Environmental Testing Services
67. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3 As business may require, the Company may provide guarantee according to the Company's warranty principles.

Article 4 The Company is located in Taichung City. It may establish subsidiaries in and out the country where and when necessary with approval from the Board of Directors.

Article 5 The Company's public announcements shall be made according to Article 28 of the Company Act.

Article 6 When the Company performs reinvestment to become a limited liability shareholder, the total investment amount must not exceed 60% of the paid-up capital.

Chapter Ⅱ Shares

Article 7 The total capital of the Company is 15 billion NT dollars in 1.5 billion shares and NT$10 per share. The shares may be issued in separate batches to the public.

Article 8 All company stock shares are registered. Their issuance shall be in accordance with Article 162 of the Company Act and is to be legitimately certified by an endorsement bank.
The Company may issue non-printed stock shares and the public shall register the acquired stock shares with the Taiwan Depository & Clearing Corporation through their securities dealers.

Article 9 The execution and management of stock share issuing is conducted according to the Government's "Criteria Governing Handling of Stock Affairs by Public Stock Companies".

Article 10 Activities of stock share transfers are prohibited under the following timeframes: within 60 days prior to the shareholders' general meeting; within 30 days prior to the provisional shareholders' meeting; and within 5 days of the determined record date on which dividends or other benefits

are to be distributed.
The aforementioned times are initiated based on the date of meeting or the date of record.

Chapter Ⅲ Shareholders' Meeting

Article 11 There are general and provisional meetings for the shareholders. General shareholders' meeting is called six months from the end of the previous fiscal year by the Board of Directors, whereas provisional shareholders' meeting is held whenever necessary according to applicable regulations.

Article 12 The shareholders' meeting is assembled according to the Company Act, the Securities & Exchange Act, and applicable regulations.
The shareholders' meeting can be held by means of visual conference or other methods announced by the central competent authority, and shall be subject to the regulations of the securities competent authority.

Article 13 Except when otherwise regulated in the Company Act, resolutions shall be approved by more than half of the votes from the attending shareholders, who collectively hold more than half of the total number of outstanding stock shares issued.

Article 14 The shareholder's each share stands for one count of vote, unless otherwise regulated in Item 2, Article 197 of the Company Act.

Article 15 The Company shall follow the procedures cited in the "Rules for Public Offering Company with Shareholders Using the Power of Attorney" for its shareholders who are unable to attend the shareholders' meeting.

Article 16 When Shareholders' meeting is called by the Board of Directors, the Chairman is the chairperson of the shareholders' meeting. The Chairman shall assign one of the executive directors as proxy when the Chairman is on leave or unable to perform this task. If the assignment is not being made, the executive directors shall elect a director among themselves to chair the shareholders' meeting.
For meetings whose convener is not a member of the BOD, the one who convenes the meeting shall be the chairperson of the shareholders' meeting. If there are more than one conveners, they shall elect one among themselves.

Article 17 Resolutions of shareholders' meeting shall be recorded in meeting minutes; signed by the chairperson; and distributed to the shareholders within 20 days after the shareholders' meeting.
Such meeting minutes may be generated in the form of an electronic file and may be distributed through public announcement.

Article 17-1 Shall the Company decide to terminate public offerings in the future, Article 156-2 of the Company Act shall be followed.

Chapter IV The Board of Directors and the Committees

Article 18 The company has 11 seats of Directors of whom 3 shall be Executive Directors elected among the Directors. One of the 3 Executive Directors shall be the Independent Director. The Chairman shall be elected among the Executive Directors. Directors may be excused from any Board session with appointment of another Director as the proxy to attend the meeting with the scope of authorization specified.
When the Board is in recess, the Executive Directors shall keep the Board in function in accordance with applicable legal rules, the Articles of Incorporation of AIDC, the resolution of the General Meeting of Shareholders, and the resolutions of the Board. The Chairman may call for special session at any time necessary and the presence of Directors representing half of the total seats shall qualify for a quorum and resolution can be made by a simple majority of the Directors attending the session.

Article18-1 The number of seats for Independent Directors as mentioned in the preceding article shall be at least 3. The professional qualification, quantity of shareholding, restriction on holding other positions, method of nomination, and other particulars to follow shall be subject to the regulations of the competent authority.

Article18-2 AIDC Directors shall be elected in accordance with a nomination system as specified in the Company Act of ROC. A list of prospective candidates of directors shall be proposed before the General Meeting of Shareholders, and directors shall be elected among the candidates on the list. AIDC will elect its Directors by the accumulation of individual votes whereby each stock share has legitimate votes relevant with the number of seats for the Directors. Each shareholder may vote in favor of a particular candidate with all his/her votes on hand or distribute his/her votes equally to a number of preferred candidates. Candidates wining the majority of the votes shall be elected as members on the Board of Directors.

Independent and non-independent directors shall be nominated separately and elected at the same time. The numbers of elected independent and non-independent directors shall be calculated separately.

To reduce of the legal liability risk of the Directors, the company shall provide appropriate professional liability insurance for each Director for the protection of their respective duties.

Article 19 The Board shall specify the reason for convening the meeting and shall inform all the Directors and Supervisors 7 days in advance. The Board may call for special sessions at any time where necessary.

The Board may give notice of meeting in correspondence or electronic means.

Article 20 The Directors of AIDC shall each have a term of office for 3 years and may assume a second term as Director if reelected.

The remuneration to the aforementioned Directors (including the Chairman, Independent Directors) shall be commensurate with their respective levels of participation in the operation of and contribution to the company with reference to industry level at home and abroad subject to the finalization of the Board.

The Chairman shall be entitled to a subsidy at the same level of the employees in remuneration. The Labor Standards Act shall be applicable to the Chairman in pension payment for resignation (retirement) irrespective of the limitation of the term of service or age.

Article 21 The Board of AIDC shall perform the following functions:

1. Planning for the adjustment of capital status and direct investment.
2. The approval of the organization code and management regulations of AIDC.
3. Approval of the long, mid, and short-term plans, business policy and annual plans.
4. Approval of company budget and account settlement.
5. Approval of unbudgeted long-term loans and the issuance of corporate bonds.
6. Approval of the disposition or exchange of lands, buildings, and essential machinery and equipment.
7. Approval of repair and renovation works, and the procurement of properties exceeding the authorized limit of the Board.
8. The appointment and discharge of personnel at the level senior to vice presidents, chief financial officer, chief accounting officer, and the chief of internal auditing.
9. Approval of the salary scale and fringe benefits for the employees.
10. Any other duties as required by law.

Further to the aforementioned scope, the duties of Independent Directors shall be determined separately subject to the approval of the Board before coming into effect.

Article 22 The company established the Auditing Committee pursuant to Article 14-4 of the Securities and Exchange Act with committee members consisting of all Independent Directors of the company. The number of members, the term of office, the authority, and parliamentary rules of the Auditing Committee and the kind of resources available from the company at the time of performing their duties shall be determined in the organization code of the Auditing Committee.

The number of members, the term of office, the authority, and parliamentary rules of the Remuneration Committee and the kind of resources available from the company at the time of performing their duties shall be determined in the organization code of the Remuneration Committee.

Article 23 The Company shall establish a Remuneration Committee.

The number of members, the term of office, the authority, and parliamentary rules of the Remuneration Committee and the kind of resources available from the company at the time of performing their duties shall be determined in the organization code of the Remuneration Committee.

Chapter Ⅴ Managers and Staff

Article 24 The president of the Company oversees the management and businesses of the company according to the operational guidelines of the BOD. Three to seven seats of senior vice presidents shall be nominated to support the president.

The appointment, discharge, and remuneration of the aforementioned executives shall be conducted according to Article 29 of the Company Act.

Article 25 (Deleted)

Article 26 Unless regulated by legal rules or specified in the employment contract or agreement, the employment and discharge of employees shall be conducted according to the Company’s applicable rules and regulations for human resources management.

Chapter Ⅵ Financial Report

Article 27 The fiscal period of the Company shall start on January 1 and end on December 31 of each calendar year. The calendar year shall be expressed as the year of the Republic of China. At the end of each fiscal year, the Board shall compile the following ledgers and statements and forward to the Auditing Committee for auditing 30 days before the session of the General Meeting of Shareholders, and presented before the General Meeting session for ratification:

1. Report on Operation.
2. Financial Statement
3. Proposal for distribution of earnings or allocation of earnings for covering losses carried forward.

Article 28 An amount not less than 0.58% and not more than 4.65% of the company’s annual net profits before tax shall be allocated as employee remuneration, of which no less than 40% shall be distributed to the rank and file, and not more than 0.58% shall be allocated as remuneration for the directors of the Board. However, if there are accumulated losses, the amount to offset the losses shall be deducted, resulting in a corresponding reduction in the bonus/remuneration allocation.

Article 28-1 This corporation shall not pay dividends or bonuses when there is no profit.

When allocating the net profits for each fiscal year, the sequence shall be as follows: taxes payment; offset of losses in previous years; in addition to that the legal profit reserve equals to the total capital of the Corporation, a legal capital reserve at 10% of the profits leftover shall be set aside; set aside special capital reserve in accordance with relevant laws or regulations.

Any balance left over shall be allocated according to the following principles per resolution of the shareholders’ meeting:

1. Profits may be distributed by taking financial, business and operational factors into consideration.
2. Profits of this corporation may be distributed by way of issuance of cash dividends and/or stock dividends. Since this Corporation is in a capital-intensive industry, distribution of profits shall be made preferably by way of issuance of cash dividends. Distribution of profits may also be made by way of issuance of stock dividends, provided however, the ration for stock dividends shall not exceed 50% of total distribution.

In case there is no profit for distribution in a certain year, or the profit of a certain year is far less than the profit actually distributed by this Corporation in the previous year, or in consideration of financial, business, operational, or other related factors of this Corporation, the Company may allocate a portion or all of its reserves for distribution in accordance with relevant laws or regulations or the orders of the authorities in charge.

Chapter Ⅶ Supplemental Provisions

Article 29 Matters that are not covered in the Articles shall be ruled according to the Company Act.

Article 30 The Articles of Incorporation of AIDC was instituted on March 5, 1996, with amendment for the 1st instance on June 14, 1996, the 2nd amendment was incorporated on June 24, 1996, the 3rd amendment was incorporated on May 29, 1997, the 4th amendment was incorporated on September 23, 1997, the 5th amendment was incorporated on November 24, 1998, the 6th amendment was incorporated on May 25, 1999, the 7th amendment was incorporated on November 2, 1999, the 8th amendment was incorporated on January 20, 2000, the 9th amendment was incorporated on June 12, 2001, the 10th amendment was incorporated on September 6, 2001, the 11th amendment was incorporated on June 6, 2002, the 12th amendment was incorporated on June 16, 2004, the 13th amendment was incorporated on June 15, 2005, the 14th amendment was incorporated on May 2, 2006, the 15th amendment was incorporated on August 26, 2008, the 16th amendment was incorporated on April 19, 2010, the 17th amendment was incorporated on September 17, 2013, the 18th amendment was incorporated on April 3, 2014, the 19th amendment was incorporated on October 17, 2014, the 20th amendment was incorporated on June 23, 2015, the 21st amendment was incorporated on June 14, 2016, the 22nd amendment was incorporated on June 14, 2017, the 23nd amendment was incorporated on May 31, 2019, the 24th amendment was incorporated on May 29, 2020, the 25th amendment was incorporated on August 13, 2021, the 26th amendment was incorporated on May 27, 2022, and the 27th amendment was incorporated on May 22, 2025.

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