KMC (Kuei Meng) International Inc.
Minutes of 2026 Annual General Shareholders' Meeting
(Translation)

Time: 10:00 a.m., May 29st, 2026

Place: FUSHIN Hotel (Address: No. 336, Chenggong Rd., North Dist., Tainan City, Taiwan.)

Type of Meeting: Physical Shareholders’ Meeting

Attendance: All shares represented by shareholders present are 91,862,287 shares (including 77,822,527 shares the voting rights of which are exercised by the electronic means), or 72.90% of the total 126,000,772 outstanding shares, which has formed a quorum in accordance with Article 174 of the provisions of the Company Act.

Chairperson: Wu, Ying-Chin, the Chairman of the Board of Directors

Recorder: Chen, Yung-Jen

Directors present: Director Wu, Jui-Chang, Director Kao, Ting-Nan, Director Hsu, Yang-Kang, Independent Director, Tsai, Hsueh-Ling, Independent Director, Chang, Chia-Ming, Independent Director, Peng, Yu-Min

Attendee: Li, Chi-Chen, CPA (Deloitte & Touche)

The aggregate shareholding of the attendance has formed a quorum. The Chairman called the meeting to order.

I. Chairman’s Address (Omitted)

II. Report Items:
1. Report on 2025 Directors’ and Employees’ Compensation.
2. To report the business of 2025.
3. To report 2025 distribution of cash dividends.
4. Audit Committee’s review report.

III. Proposal Items:
1. Adoption of the 2025 Annual Business Report and Financial Statements.
2. Adoption of the 2025 Earnings Distribution.

IV. Discussion Items:
1. Amendment to the Operating procedures for Acquisition and Disposal of Assets.

V. Election Matters:
Re-election of directors, including independent directors.

VI. Other Matters
Proposals to release the new board of directors and representatives from the non-competition restrictions.

VII. Extemporary Motions

VIII. Meeting Adjourned

I. Chairman's Address

II. Report Items

1. Report on 2025 Directors' and Employees' Compensation.

   Explanation:

   (1) The Board of Directors approved 2025 directors' and employees' compensation on March 12th, 2026. The directors' and employees' compensation are to be distributed in cash.

   (2) 2025 directors' compensation is NT$8,400,000, for information on the remuneration received by directors, including the remuneration policy, content and amount of individual remuneration is attached hereto as Attachment I (page 8). 2025 employees' compensation is NT$7,500,000.

2. To report the business of 2025.

   Explanation: The 2025 Business Report is attached hereto as Attachment II (page 9-13).

3. To report 2025 distribution of cash dividends.

   Explanation:

   KMC's Articles of Incorporation authorize the Board of Directors to approve quarterly cash dividends. The amounts and payment dates of 2025 quarterly cash dividends are demonstrated in the table below:

2025	Approval Date (month/day/year)	Payment Date (month/day/year)	Cash Dividends Per Share (NT$)	Total Amount (NT$)
First quarter	05/12/2025	10/15/2025	1.0149	127,877,000
Second quarter	08/12/2025	01/16/2026	0.8618	108,590,000
Third quarter	11/12/2025	04/17/2026	1.0341 (Note 1)	130,298,000
Fourth quarter	03/12/2026	07/25/2026	0.8349 (Note 1)	105,193,000

Note 1: The cash dividend per share was adjusted, as authorized by the Board of Directors, based on the number of actual common shares outstanding on the record date for dividend payment.

4. Audit Committee's review report.

   Explanation: The Audit Committee's review report is attached hereto as Attachment III (page 14).

III. Proposal Items

1. Proposal: Adoption of the 2025 Annual Business Report and Financial Statements. (Proposed by the Board)

   Explanation:

   (1) KMC's 2025 Financial Statements, including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows, were audited by independent auditors, Mr. Liao, Hing-Ju and Ms. Li, Chi-Chen of Deloitte & Touche.

   (2) The 2025 Annual Business Report, Independent Auditors' Report and the aforementioned Financial Statements were reviewed by Audit Committee.

   (3) Please refer to Attachment II, III and IV (page 9-13, 14, 15-34).

   Resolution: The voting results are as followed:

   91,862,287 shares were represented at the time of voting.

Voting results	Proportion to the total represented shares present
Affirmative votes: 90,029,365 shares (including 76,085,615 shares the voting rights of which are exercised by the electronic means)	98.00%
Dissentient votes: 42,258 shares (including 42,258 shares the voting rights of which are exercised by the electronic means)	0.04%
Invalid votes: 0 shares	0.00%
Abstained votes: 1,790,664 shares (including 1,694,654 shares the voting rights of which are exercised by the electronic means)	1.94%

The proposal has been adopted by voting without any modification.

2. Proposal: Adoption of the 2025 Earnings Distribution. (Proposed by the Board)

Explanation:

(1) The Board has adopted the 2025 earnings distribution in accordance with the Company Act and Articles of Incorporation. Please refer to Attachment V (page 35).

(2) The 2025 Earnings Distribution Table was reviewed by Audit Committee.

Resolution: The voting results are as followed:

91,862,287 shares were represented at the time of voting.

Voting results	Proportion to the total represented shares present
Affirmative votes: 90,032,422 shares (including 76,088,672 shares the voting rights of which are exercised by the electronic means)	98.00%
Dissentient votes: 66,441 shares (including 66,441 shares the voting rights of which are exercised by the electronic means)	0.07%
Invalid votes: 0 shares	0.00%
Abstained votes:1,763,424 shares (including 1,667,414 shares the voting rights of which are exercised by the electronic means)	1.91%

The proposal has been adopted by voting without any modification.

IV. Discussion Items

1. Proposal: Amendment to the Operating Procedures for Acquisition and Disposal of Assets. (Proposed by the Board)

   Explanation:

   (1) In order to comply with the publications of the Financial Supervisory Commission Jing-Guang-Zheng-Fa-Zi No. 1140383333 on July 24, 2025 needs, the company amended the Operating Procedures for Acquisition and Disposal of Assets.

   (2) Please refer to Attachment VII for a comparison of the contents before and after amendment (page 40-42).

   Resolution: The voting results are as followed:

   91,862,287 shares were represented at the time of voting.

Voting results	Proportion to the total represented shares present
Affirmative votes: 90,061,372 shares (including 76,117,622 shares the voting rights of which are exercised by the electronic means)	98.03%
Dissentient votes: 45,262 shares (including 45,262 shares the voting rights of which are exercised by the electronic means)	0.04%
Invalid votes: 0 shares	0.00%
Abstained votes:1,755,653 shares (including 1,659,643 shares the voting rights of which are exercised by the electronic means)	1.91%

The proposal has been adopted by voting without any modification.

V. Election Matters

Re-election of directors, including independent directors. (Proposed by the Board)

Explanation:

(1) The tenure of the 13th-term Board of Directors will expire on May 30, 2026. Seven directors (including three independent directors) will be elected at this annual general shareholders' meeting.

(2) The Company shall have seven Board of Director members (including three independent directors) in accordance with the Articles of Incorporation. The tenure of new directors will be three years, starting from May 29, 2026 and will expire on May 28, 2029.

(3) According to Incorporation Act.12-1, the election of Directors shall be conducted using the candidate nomination system. The shareholders shall elect directors from among those listed in the slate of director candidates, and the independent directors and non-independent directors shall be elected at the same time, but in separately calculated numbers. The list and the relative information of candidates nominated to be Directors are followed, please refer to the Attachment VI (page 36-39).

Resolution: The list of the newly elected directors with votes received follows:

Act No.	Name	Votes Received	Title
60546	KMC TRANSTON INDUSTRIES LIMITED Representative Wu, Ying-Chin	91,334,435	Director
60546	KMC TRANSTON INDUSTRIES LIMITED Representative Wu, Jui-Chang	87,953,441	Director
89248	Long Star Investment Co., Ltd Representative Kao, Ting-Nan	87,435,296	Director
D1211*****	Hsu, Yang-Kang	86,980,310	Director
D2200*****	Tsai, Hsueh-Ling	86,777,741	Independent Director
T2218*****	Chang, Chia-Ming	86,727,690	Independent Director
K1011*****	Peng, Yu-min	86,661,918	Independent Director

VI. Other Matters

Proposals to release the new Board of Directors and representatives from the non-competition restrictions (Proposed by the Board)

Explanation:

(1) According to Article 209 of the Company Act , a director who conducts business within the business scope of the Company for himself or others shall explain at the shareholders' meeting the essential contents of such conduct and obtain the shareholders' approval.

(2) Proposal to approve the lifting of non-competition restrictions on Directors and their representatives elected at the 2025 Annual General Shareholders' Meeting concurrently work for other companies, without prejudice to the interests of the Company.

(3) Please refer to Attachment VI (page 36-39) for the concurrent positions of directors elected by the shareholders' meeting.

Resolution:

91,862,287 shares were represented at the time of voting.

Voting results	Proportion to the total represented shares present
Affirmative votes: 89,792,312 shares (including 75,846,562 shares the voting rights of which are exercised by the electronic means)	97.74%
Dissentient votes: 150,600 shares (including 150,600 shares the voting rights of which are exercised by the electronic means)	0.16%
Invalid votes: 0 shares	0.00%
Abstained votes:1,919,375 shares (including 1,825,365 shares the voting rights of which are exercised by the electronic means)	2.08%

The proposal has been adopted by voting without any modification.

VII. Extemporary Motion

*Speech summary of the shareholder account number 86777: What is the Company's view on the bicycle market and the outlook for different regions? What are the future trends for high-end bicycles and electric bicycles? How will the Company manage geopolitical risks?

The Chairman authorized the President, Mr. Wu, Jui-Chang, to assist in the reply. The President stated that the bicycle market has gradually stabilized after several years of adjustment following the pandemic. North America has shown increasing demand for lightweight electric-assist bicycles, while the European aftermarket has benefited from ESG trends and leasing services. The China domestic market also maintained growth. The Company will continue focusing on high-end and high value-added products and has expanded production deployment in Vietnam and Indonesia to reduce geopolitical and trade risks.

*Speech summary of the shareholder account number 89248: What are the Company's development plans and achievements in motorcycles, automobiles, chainsaws and other businesses? How will the Company maintain profitability in the future?
*Speech summary of the shareholder account number 98663: What are the future strategies for the automotive business division?
The Chairman authorized the President, Mr. Wu, Jui-Chang, to assist in the reply, and the President stated that, in addition to the bicycle business, the Company has continued developing power transmission products, motorcycles, automotive products and specialty chains. The motorcycle and power transmission businesses maintained growth, while the automotive timing system business has expanded into applications in different industries. The chainsaw and specialty chain businesses also recorded growth following mass production. The Company will continue enhancing profitability by increasing the proportion of power transmission products and expanding the aftermarket business.

*Speech summary of the shareholder account number 101693: Will the Company recognize compensation related to the Taicang plant relocation?
The Chairman authorized the President, Mr. Wu, Jui-Chang, to assist in the reply, and the President stated that the relocation compensation will be received and recognized progressively based on the relocation progress and related conditions.

The Chairman further stated that the Company's core competitive advantages include high-precision manufacturing capabilities and a global direct sales system. Going forward, the Company will continue expanding into the fields of "power transmission" and "motion transmission," while investing in process improvement, equipment upgrades, smart manufacturing and new product development to support long-term growth.

VIII. Meeting Adjourned: 11:00 a.m., May 29, 2025
(This meeting minutes was recorded in accordance with Article 183 of the provisions of the Company Act. The meeting audio recording still prevails regarding the meeting content, proceedings and shareholders' statements.)

I. Attachment

Attachment I Remuneration paid to directors and independent directors

December 31st, 2025; in NT$ thousands

Title	Name	Directors Remuneration								Total Amount of A, B, C, and D to Net Income		Remuneration Received as Employee								Total Amount of A, B, C, D, E, F and G to Net Income		Remuneration from Invested Companies Other Than Subsidiaries or Parent Company
		Remuneration (A)		Pension (B)		Remuneration to Directors (C)		Allowances (D)				Salaries, bonus, and special allowance (E)		Pension (F)		Employee Bonus (G)						
		KMC	All Consolidated entities	KMC	All Consolidated entities	KMC	All Consolidated entities	KMC	All Consolidated entities	KMC	All Consolidated entities	KMC	All Consolidated entities	KMC	All Consolidated entities	KMC		All Consolidated entities		KMC	All Consolidated entities	
																Cash	Stock	Cash	Stock			
Chairman	KMC TRANSTON INDUSTRIES LIMITED Representative Wu, Ying-Chin (note4)	600	1,200	0	0	0	0	0	0	600	1,200	0	3,761	0	54	0	0	0	0	600	5,015	None
Director	KMC TRANSTON INDUSTRIES LIMITED Representative Wu, Jui-Chang (note4)	600	1,200	0	0	0	0	0	0	600	1,200	3,717	3,717	0	0	0	0	0	0	4,317	4,917	None
Legal Director	KMC TRANSTON INDUSTRIES LIMITED	0	0	0	0	8,400	8,400	0	0	8,400	8,400	0	0	0	0	0	0	0	0	8,400	8,400	None
Director	Kao, Ting-Nan	600	600	0	0	0	0	0	0	600	600	0	0	0	0	0	0	0	0	600	600	None
Director	Hsu, Yang-Kang	600	600	0	0	0	0	0	0	600	600	0	0	0	0	0	0	0	0	600	600	None
Independent Director	Tsai, Hsueh-Ling	600	600	0	0	0	0	36	36	636	636	0	0	0	0	0	0	0	0	636	636	None
Independent Director	Peng, Yu-Min	600	600	0	0	0	0	36	36	636	636	0	0	0	0	0	0	0	0	636	636	None
Independent Director	Chang, Chia-Ming	600	600	0	0	0	0	36	36	636	636	0	0	0	0	0	0	0	0	636	636	None

Note：

1. Directors and Independent Directors' remuneration policies, procedures, standards and structure, as well as the linkage to responsibilities, risks and time spent: Pursuant to the Article 21 of the Article of Incorporation of the Company, if the Company makes profits for the current year, the Board of Directors shall resolve on the allocation of 0.4%~5% as the employee compensation and no more than 3% as the compensation for directors, at least 0.1% shall be set aside for salary adjustments or bonuses for junior employees. Remuneration for directors of the Company shall be evaluated by the Remuneration Committee according to their respective participation in the operation of the Company and value of contribution, the practice of the Company's core values, familiarity with the goals and missions of the Company, awareness of the duties of a director, management and communication of internal relationship, director's professional and continuing education as well as internal control. The Board of Directors is authorized to determine their remuneration according to the evaluation made by the Remuneration Committee and general standard in the same industries. For example, the Chairman should be responsible for the board operations and corporate governance assessment results, the connection of shareholders' interests, the achievement rate of the Company's long-term strategic goals, the accomplishment of ESG indicators. The remuneration to independent Directors adopts regular amount and takes into account the standards of the industry within the R.O.C. and overseas.
2. Except as disclosed in the above table, remuneration to directors received due to the service provided to all companies listed in the consolidated financial statement (such as being independent consultansts, stc.) in the most recent year: None.
3. The proportion of directors' remuneration (including related remuneration for part-time employees) paid by all consolidated entities in the financial report in 2025 to the net profit was 1.7% and 2.22% respectively.
4. The Directors Remuneration of company all paid to the Corporate Director, KMC TRANSTON INDUSTRIES LIMITED. The total Remuneration for the Representative also disclosed in total amount.

Attachment II

Attachment II 2025 Business Report

KMC (Kuei Meng) International Inc.
2025 Business Report

Dear Shareholders,

In 2025, the global bicycle industry saw the pressures of inventory liquidation and demand volatility gradually subside compared to the preceding two years. As the supply-demand balance stabilizes, the broader industry remains in a phase of post-adjustment recovery. The industry’s trajectory is evolving from a volume-driven growth model toward a phase of qualitative advancement, with an increasing emphasis on product value, technological sophistication, and supply chain resilience.

Driven by global green energy initiatives, the rise in urban micro-mobility, and a sustained consumer focus on health and sustainability, the market remains resilient. Specifically, electric bicycles, high-end segments, and the aftermarket continue to show strong fundamental support. However, with the overall economic environment still affected by factors such as high interest rates, inflation, and geopolitical concerns, the recovery of market demand requires continued observation.

Against this backdrop, the Company continues to maintain a prudent management strategy, focusing on high value-added products and long-term competitiveness. Through product structure upgrades, flexible capacity adjustments, and supply chain optimization, the Company steadily navigates industry changes, strengthening overall operational quality and risk resilience.

In a year full of challenges, with joint efforts of all KMC colleagues, the 2025 consolidated revenue reached NT$4.68 billion, the gross profit was NT$2.07 billion; a gross profit margin of 45%; the net income was NT$0.96 billion, and EPS was NT$7.66.

I. Business results of 2025:

1. The implementation results of business plan:

Following a two-year adjustment period, the Company continues to refine its operational management, maintaining disciplined control over production volumes and inventory levels. Simultaneously, the Company is optimizing its product mix to enhance the overall profitability profile. As inventory levels across major markets revert to healthy levels and demand for high-end segments and the aftermarket gains traction, the Company's overall operational momentum and key performance indicators (KPIs) have begun to stabilize. For the 2025 fiscal year, the Company reported consolidated revenue of NT$4.678 billion, with consolidated gross profit reaching NT$2.069 billion. Consolidated net income after tax stood at NT$965 million, resulting in basic earnings per share (EPS) of NT$7.66. Total equity reached NT$8.886 billion, representing a year-over-year increase of NT$564 million. Meanwhile, the Company's cash position strengthened to NT$5.372 billion, up NT$576 million from the previous year.

The Assets , Liabilities, Equity and Cash flow of FY25

Unit: NT$ thousands

Item	FY25	FY24	Changed
Total Assets	13,848,112	13,234,912	613,200
Total liabilities	4,961,610	4,912,854	48,756
Total Equity	8,886,502	8,322,058	564,444
Cash flows from operating activities	1,163,984	1,314,589	-150,605
Cash outflows from investing activities	638,932	2,102,262	-1,463,330
Cash outflows from finance activities	684,084	375,015	309,069
Total cash(note)	5,372,088	4,796,354	575,734

Note, Total cash include cash and Financial assets at amortized cost – current.

Profitability analysis:

Unit: NT$ thousands

Item	FY25	FY24	The percentage changed
Revenue	4,677,894	4,959,816	-5.68%
Gross profit	2,068,799	2,073,259	0.22%
Operating profit	1,024,124	1,078,643	-5.05%
Net profit	964,950	916,508	5.29%
Gross margin	44.2%	41.8%	
Operating margin	21.9%	21.7%	
Net margin	20.6%	18.5%	
Basic EPS in NT$	7.66	7.27	

2. Research and Development Status:

Adhering to the R&D strategy of "focusing on core technology and continuous innovation," KMC has maintained a long-term commitment to advancing product development and technical sophistication across both its bicycle and non-cycling component portfolios. Beyond prioritizing product performance and durability, the R&D roadmap integrates system-level requirements, cross-industry applications, and sustainable design principles. In terms of bicycle components, efforts are continuously made to advance drivetrain technologies to meet the efficiency, reliability, and longevity requirements of high-end models and electric bicycles. Simultaneously, KMC is leveraging its non-cycling expertise to penetrate new markets, effectively diversifying the Company's portfolio and mitigating exposure to cyclical industry volatility. Through stable R&D investment, the Company continues to consolidate its technological image in the professional market.

In 2025, the R&D efforts of KMC on bike components are summarized as follows:

A. KMC continues to enhance the development technology of high-end bicycle drivetrain systems, targeting the performance demands of time trials and triathlons. This focus has culminated in the development of the TT Racing Chain, a specialized solution tailored for the most competitive racing environments. By optimizing material compositions and integrating precision processes including precision forging and proprietary heat treatment, the metal structure of the chain plates has been improved. This allows the chain to deliver superior rigidity and durability while maximizing power transfer efficiency. Its high-precision forming design effectively reduces component wear resistance, demonstrating stable and efficient pedaling output in various riding scenarios such as starting, accelerating, and high-speed cruising. The TT Racing Chain is positioned as a high-performance product in the high-end competition market.

B. Leveraging its deep expertise in high-end drivetrain engineering, KMC has launched the XFlat Chain, a specialized solution engineered to tackle the unique demands of 12-speed and 13-speed systems. Engineered for precise shifting and stability, the chain features stringent tolerances for pitch and plate thickness. The optimized chamfered edges and lead-in angles on both inner and outer plates ensure rapid, seamless gear transitions, significantly minimizing the risk of chain skipping and mechanical noise. With a high-wear-resistant surface treatment, it can maintain low-friction operation even under high loads. The flat top outer plate structure of the XFlat series enhances lateral rigidity for more direct and stable power transfer. Meanwhile, the lightweight X12L and XSL Flat variants further reduce mass without compromising structural integrity, catering to the ultimate performance requirements of competitive and high-end cyclists.

C. Driven by a commitment to sustainability, KMC has developed GO CHAIN WAX, a new wax-based lubrication technology designed to provide the drivetrain with optimal cleanliness and ultra-low friction protection. The product uses a 100% biodegradable natural wax formula with strong penetration capabilities. Once dry, it forms a micron-level tough protective film inside the chain, effectively preventing the accumulation of dust and dirt. Leveraging GO WAXED pretreatment technology, each chain undergoes a factory-applied deep-immersion waxing process. This provides riders with an exceptionally smooth pedaling sensation from day one, eliminating the need for tedious degreasing. This not only enhances power efficiency but also significantly extends the lifespan of components, building an efficient and environmentally friendly "green transmission ecosystem.”

II. Summary of 2026 Business Plan:

1. Business principles and important policies of production and marketing:

Facing the uncertain global economic and industrial environment in 2025, KMC continues to maintain a prudent management strategy. By maintaining strategic agility across production and sales cycles, the Company remains focused on achieving sustainable, long-term growth at scale. Operational priorities are centered on increasing the share of high-value products, bolstering market presence within the aftermarket and professional segments, and deepening strategic alignment with long-term partners. In the bicycle components business, strategic focus remains on optimizing the bike chain portfolio and advancing R&D for products compatible with next-generation electrification and smart-tech systems. Regarding non-cycling components, operational efforts center on supply stability and technical deepening to reinforce competitiveness within established markets.

The market demand for bicycle, motorcycle, automobile, and garage door opener businesses managed by KMC is fundamentally stable. However, actual sales performance will still be adjusted according to global economic conditions, changes in industry prosperity, market supply and demand structure, and business development capabilities. Consequently, the Company maintains active dynamic management and rigorous production-sales planning to facilitate ongoing strategic adjustments.

2. Sales volume forecast and the accordance of fact

KMC aims to become a globally competitive brand in transmission systems and chains as its long-term development goal. Guided by principles of stable operation, future initiatives will prioritize product value enhancement, the expansion of application domains, and the optimization of operational efficiency to successfully navigate evolving industrial structures and competitive landscapes.

III. Company's development strategy in the future:

Given the persistent uncertainties in tariff and trade policies, notably the ongoing U.S. adjustments to import duties on steel, aluminum, and select cycling components, the global supply chain and cost structures face significant pressure. To mitigate these impacts, KMC’s global strategy centers on accelerating market diversification and enhancing supply chain resilience.

Regarding market positioning, the Company continues to deepen its presence across emerging markets in Europe and Asia, as well as other diversified regions, to minimize geographic dependency. In supply chain management, KMC will continue to strengthen the coordinated operations and division efficiency of its global production bases. In response to changes in regional market demand, customer order conditions, and the overall business environment, the Company will flexibly adjust capacity allocation, production scheduling, and shipment arrangements to enhance the flexibility and efficiency of its supply system. Meanwhile, the Company will continue to optimize procurement management, inventory levels, and logistics distribution mechanisms to improve delivery stability and service quality, mitigate the impact of external environmental changes on operations, and further reinforce overall supply chain resilience and competitive advantages in the market.

In terms of product strategy, while continuing to strengthen its position in the bicycle drivetrain market, KMC remains focused on developing high value-added and high-end components to enhance product technology and added value. The Company will also expand new business product lines, leveraging its core technologies to develop products such as saw chains and transmission chains, thereby broadening application fields and revenue sources. Through brand building and service enhancement, the Company aims to strengthen product differentiation and maintain competitiveness and resilience amid cost fluctuations and changing market conditions.

In addition, KMC will continue to promote process optimization and digital management of operations to enhance organizational efficiency and decision-making timeliness, thereby steadily seizing medium- and long-term development opportunities in the industry.

IV. Macroeconomic, Regulatory, and Operational Influences

The global macroeconomic environment is still affected by factors such as the monetary policies of major countries, geopolitical risks, and inflationary pressures, resulting in uneven recovery rates across regional markets. Concurrently, intensifying regulatory standards for environmental protection, carbon management, and supply chain transparency are fundamentally reshaping the manufacturing sector's operational models and cost structures. KMC remains dedicated to embedding sustainability within the core of its R&D, production, and sales frameworks. By championing green supply chain initiatives aligned with ESG principles, the Company ensures continued compliance with evolving international trends and statutory requirements.

In recent years, issues such as protective tariff measures, human rights regulations, European carbon tax policies, and labor shortages in various countries have continued to pose challenges to global supply chains and the corporate operating environment. In response to industrial policies, environmental protection requirements, and labor standards, governments around the world have successively adjusted relevant regulations and management measures, resulting in varying degrees of impact on corporate supply chain deployment, production costs, raw material procurement, and human resource utilization.KMC remains committed to its prudent management principles and continues to closely monitor international political and economic developments, as well as regulatory trends. The Company will timely adjust capacity allocation and operating strategies, while strengthening supply chain management and risk control capabilities, in order to enhance its overall competitiveness.

Reflecting on the volatile external and macroeconomic shifts of 2025, KMC’s various business units demonstrated operational resilience, successfully converting market challenges into strategic momentum for systemic upgrades. The Company's management team remains committed to prudence and pragmatism, focusing on the continuous refinement of core technologies and the optimization of organizational structures. By maintaining a proactive stance toward future market dynamics, the Company aims to deliver consistent performance and long-term value to shareholders.

I'd like to express my sincere gratitude for your support!

KMC (Kuei Meng) International Inc.
Chairman: Wu, Ying-chin

Attachment III

Attachment III Audit Committee’s Review Report

KMC(Kuei Meng) International Inc.
Audit Committee’s Review Report

The Board of Directors has prepared the Company’s 2025 Business Report, Financial Statements and the proposal of distribution of earnings. The financial statements including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows) and consolidated financial statements. In addition, the board of directors appointed Hing-Ju, Liao and Chi-Chen, Li of Deloitte & Touche to audit KMC’s financial statements and has issued an audit report relating to the financial statements.

The Audit Committee is responsible for supervising the company's financial reporting process.

The Company’s independent auditors have communicated the following matters with the Audit Committee on their audits of the Company’s financial statements:

1. There are no major findings in the audit scope and timing planned by the independent auditors.
2. The independent auditors provided the personnel of the accounting firm who subject to independence regulations to the audit committee that have complied with the statement of independence in the professional ethics of accountants, and there is no other relationships or matters that may be considered to affect the independence of accountants.
3. The independent auditor communicate with the audit committee on key audit matters, and the key audit matters that must be communicated in the audit report have been included in the audit report.

The Company’s 2025 Financial Statements, Business Report and the proposal of distribution of earnings which had been resolved by the Board of Directors have been reviewed by the Audit Committee and found that they are in compliance with relevant laws and regulations. According to relevant requirements of the Article 14-4 of Securities and Exchange Law and Article 219 of the Company Law, we hereby submit this report.

KMC(Kuei Meng) International Inc.

Chairman of the Audit Committee

Ms. Chang, Chia-Ming
March 27, 2026

Attachment IV

Attachment IV Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT
(Consolidated Financial Statements)

The Board of Directors and Shareholders
KMC (KUEI MENG) International Inc.

Opinion

We have audited the accompanying consolidated financial statements of KMC (KUEI MENG) International Inc. and its subsidiaries (collectively, the "Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, 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.

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, 2025 and 2024, 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 (FSC) of Taiwan, the Republic of China (ROC).

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by 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 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, 2025. 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 description of the key audit matter of the Group's consolidated financial statements for the year ended December 31, 2025 is as follows:

Revenue recognition

The Group sells its products in Asia, the Americas and Europe. Sales revenue is significant to the consolidated financial statements and is presumed risk account under the Regulations Governing Auditing and Attestation of Financial Statements; thus, we deemed the validity and occurrence of sales of specific customers whose gross margin rate has significant growth than last year to be key audit matter.

The main audit procedures we performed in response to the key audit matter described above were as follows:

1. We understood and tested the operating effectiveness of internal controls and operation procedures in sales and payment collection cycle.

2. We selected a moderate number of samples from sales revenue and inspected delivery documents or documents of customs, and relevant documents of collections to tested the authenticity of the sales.

Other Matter

We have also audited the parent company only financial statements of KMC (KUEI MENG) International Inc. as of and for the years ended December 31, 2025 and 2024 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 FSC of Taiwan, the ROC, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in 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 of 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 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 the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the 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, 2025 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 Hing-ju, Liao and Chi-Chen Li.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 27, 2026

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 accepted and applied in the Republic of China.

For the convenience of readers, the 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.

KMC (KUEI MENG) INTERNATIONAL INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	December 31, 2025		December 31, 2024	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 2,149,128	16	$ 2,253,257	17
Financial assets at fair value through profit or loss-current (Notes 4, 7 and 20)	-	-	100	-
Financial assets at amortized cost - current (Notes 4 and 8)	1,424,560	10	1,781,837	14
Notes receivable (Notes 4, 9 and 28)	40,660	-	65,214	1
Accounts receivable (Notes 4, 9 and 28)	676,508	5	768,589	6
Accounts receivable from related parties (Notes 4, 9, 28 and 34)	43,386	-	59,318	-
Other receivables (Notes 4)	66,276	1	39,139	-
Other receivables from related parties (Notes 34)	19,197	-	10,044	-
Current tax assets (Note 30)	1,867	-	1,197	-
Inventories (Notes 4 and 10)	1,249,066	9	1,108,632	8
Prepayments (Note 12)	115,785	1	116,578	1
Other current assets (Notes 4 and 12)	58,774	-	53,474	-
Total current assets	5,845,207	42	6,257,379	47
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss-non-current (Notes 4 and 8)	1,798,400	13	761,260	6
Investments accounted for using equity method (Notes 4 and 13)	13,093	-	13,980	-
Property, plant and equipment (Notes 4, 14 and 34)	3,561,772	26	3,496,597	26
Right-of-use assets (Notes 4, 15 and 34)	759,764	5	787,622	6
Investment properties (Notes 4 and 16)	86,818	1	191,803	2
Goodwill (Notes 4 and 18)	1,341,237	10	1,341,078	10
Other intangible assets (Notes 4 and 19)	116,244	1	132,977	1
Deferred tax assets (Notes 4 and 30)	209,763	1	148,584	1
Other financial assets - non-current (Note 11)	1,869	-	1,869	-
Other non-current assets (Note 12)	113,945	1	101,763	1
Total non-current assets	8,002,905	58	6,977,533	53
TOTAL	$ 13,848,112	100	$ 13,234,912	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 4 and 21)	$ 1,017,028	7	$ 1,405,000	10
Short-term bills payable (Notes 4 and 21)	-	-	99,875	1
Contract liabilities - current (Notes 28)	21,908	-	36,685	-
Notes payable (Note 22)	944	-	944	-
Accounts payable (Note 22)	194,762	2	282,255	2
Accounts payable to related parties (Notes 22 and 34)	25,985	-	29,490	-
Dividends payable (Notes 27)	238,888	2	349,359	3
Other payables (Note 23)	255,274	2	261,186	2
Current tax liabilities (Notes 4 and 30)	347,055	3	107,141	1
Lease liabilities - current (Notes 4, 15 and 34)	2,582	-	4,248	-
Puttable Bonds maturing within one year or one operating cycle (Notes 4 and 21)	985,628	7	-	-
Long-term borrowings due within one year or one operating cycle (Notes 4 and 21)	39,875	-	265,402	2
Other current liabilities (Notes 4, 21 and 25)	2,619	-	244,799	2
Total current liabilities	3,132,548	23	3,086,384	23
NON-CURRENT LIABILITIES				
Bonds Payable (Notes 4 and 20)	-	-	969,153	7
Long-term borrowings (Notes 4 and 21)	1,031,171	8	361,249	3
Provisions - non-current (Note 24)	6,531	-	6,163	-
Deferred tax liabilities (Notes 4 and 30)	434,722	3	440,877	4
Lease liabilities - non-current (Notes 4, 15 and 34)	2,110	-	3,664	-
Deferred revenue - non-current (Notes 4 and 25)	125	-	2,851	-
Net defined benefit liabilities - non-current (Notes 4 and 26)	37,122	-	37,959	-
Other non-current liabilities	317,281	2	4,554	-
Total non-current liabilities	1,829,062	13	1,826,470	14
Total liabilities	4,961,610	36	4,912,854	37
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 27)				
Capital stock - common stock	1,260,008	9	1,260,008	9
Capital surplus	1,760,303	13	1,760,303	13
Retained earnings				
Legal reserve	1,339,645	10	1,242,489	9
Special reserve	859,445	6	361,280	3
Unappropriated earnings	4,051,059	29	4,156,854	32
Total retained earnings	6,250,149	45	5,760,623	44
Other equity	(383,928)	(3)	(458,922)	(3)
Total equity attributable to owners of the Company	8,886,532	64	8,322,012	63
	(30)	-	46	-
Total equity	8,886,502	64	8,322,058	63
TOTAL	$ 13,848,112	100	$ 13,234,912	100

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

KMC (KUEI MENG) INTERNATIONAL INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 4, 28, 34 and 38)	$ 4,677,894	100	$ 4,959,816	100
OPERATING COSTS (Notes 10 and 29)	2,609,095	56	2,886,557	58
GROSS PROFIT	2,068,799	44	2,073,259	42
OPERATING EXPENSES (Notes 9, 29 and 34)				
Selling and marketing expenses	473,644	10	427,376	9
General and administrative expenses	519,703	11	515,227	10
Research and development expenses	51,489	1	41,686	1
Expected credit loss (gain)	(6,077)	-	6,953	-
Total operating expenses	1,038,759	22	991,242	20
OTHER OPERATING INCOME AND EXPENSES (Notes 29)	(5,916)	-	(3,374)	-
PROFIT FROM OPERATIONS	1,024,124	22	1,078,643	22
NON-OPERATING INCOME AND EXPENSES (Notes 4, 7, 13, 25, 29 and 34)				
Interest income	101,519	2	93,576	2
Other income	49,738	1	80,133	1
Other gains and losses	179,208	4	(4,146)	-
Share of profit of associates	352	-	1,377	-
Finance cost	(60,215)	(1)	(53,574)	(1)
Total non-operating income and expenses	270,602	6	117,366	2
PROFIT BEFORE INCOME TAX	1,294,726	28	1,196,009	24
INCOME TAX EXPENSE (Notes 4 and 30)	329,776	7	279,501	6
NET PROFIT	964,950	21	916,508	18
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 26)	929	-	(749)	-
Income tax expense relating to items that will not be reclassified subsequently to profit or loss (Note 30)	(186)	-	150	-
	743	-	(599)	-

KMC (KUEI MENG) INTERNATIONAL INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	**%**	**Amount**	**%**
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations (Note 27)	74,991	1	280,195	6
Other comprehensive income (loss) for the year, net of income tax	74,991	1	280,195	6
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 1,040,684	22	$ 1,196,104	24
NET PROFIT (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	$ 965,023	21	$ 916,561	18
Non-controlling interests	(73)	-	(53)	-
	$ 964,950	21	$ 916,508	18
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	$ 1,040,760	22	$ 1,196,156	24
Non-controlling interests	(76)	-	(56)	-
	$ 1,040,684	22	$ 1,196,104	24
EARNINGS PER SHARE (Note 31)				
Basic	$ 7.66		$ 7.27	
Diluted	$ 7.32		$ 6.97	

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

KMC (KUEI MENG) INTERNATIONAL INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Dividends Per Share)

	Equity Attributable to Owners of the Company								
			Retained Earnings			Other Equity			
	Capital Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Total	Non-controlling Interests	Total Equity
BALANCE, JANUARY 1, 2024	1,260,000	1,760,215	1,157,020	596,364	3,605,145	(739,116)	7,639,628	98	7,639,726
Appropriation of earnings (Note 27)									
Legal reserve	-	-	85,469	-	(85,469)	-	-	-	-
Special reserve	-	-	-	(235,084)	235,084	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(513,868)	-	(513,868)	-	(513,868)
Net profit (loss) for the year ended December 31, 2024	-	-	-	-	916,561	-	916,561	(53)	916,508
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	(599)	280,194	279,595	1	279,596
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	915,962	280,194	1,196,156	(52)	1,196,104
Equity component of convertible bonds issued by the Company (Notes20 and 27)	8	88	-	-	-	-	96	-	96
BALANCE, DECEMBER 31, 2024	1,260,000	1,760,303	1,242,489	361,280	4,156,854	(458,922)	8,322,012	46	8,322,058
Appropriation of earnings (Note 27)									
Legal reserve	-	-	97,156	-	(97,156)	-	-	-	-
Special reserve	-	-	-	498,165	(498,165)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(476,240)	-	(476,240)	-	(476,240)
Net profit (loss) for the year ended December 31, 2025	-	-	-	-	965,023	-	965,023	(73)	964,950
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	743	74,994	75,737	(3)	75,734
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	965,766	74,994	1,040,760	(76)	1,040,684
Equity component of convertible bonds issued by the Company (Notes20 and 27)	-	-	-	-	-	-	-	-	-
BALANCE, DECEMBER 31, 2025	$ 1,260,008	$ 1,760,303	$ 1,339,645	$ 859,445	$ 4,051,059	$ (383,928)	$ 8,886,532	$ 30	$ 8,886,502

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

KMC (KUEI MENG) INTERNATIONAL INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 1,294,726	$ 1,196,009
Adjustments for:		
Depreciation expenses	329,786	363,687
Amortization expenses	22,609	26,292
Expected credit loss (gain) recognized on accounts receivable	(6,077)	6,953
Finance costs	60,215	53,574
Interest income	(101,519)	(93,576)
Share of profit of associates	(352)	(1,377)
Loss (gain) on disposal of property, plant and equipment	5,916	3,374
Disposal of investment property interests	(237,901)	-
Write-down of inventories	-	33,529
Unrealized loss (gain) on foreign currency exchange	(12,723)	267
Provision for liabilities	368	2,821
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	100	100
Notes receivable	24,554	32,144
Accounts receivable	101,947	(106,450)
Accounts receivable from related parties	23,959	(16,045)
Other receivables	2,314	(17,236)
Inventories	(140,331)	(132,430)
Prepayments	793	3,221
Other current assets	(5,300)	(18,067)
Other non-current assets	12,310	3,990
Contract liabilities	(14,777)	14,430
Accounts payable	(85,874)	64,441
Accounts payable to related parties	(16,948)	6,288
Other payables	(6,299)	46,006
Deferred Revenue	(2,726)	(2,966)
Other current liabilities	(242,180)	240,585
Net defined benefit liability	92	489
Other non-current liabilities	314,645	-
Cash generated from operations	1,321,327	1,710,053
Income tax paid	(157,343)	(395,464)
Net cash generated from operating activities	1,163,984	1,314,589
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(679,863)	(1,821,789)
Acquisition of property, plant and equipment	(349,915)	(340,327)
Proceeds from disposal of property, plant and equipment	18,256	9,218
Proceeds from the disposal of investment properties	337,589	-
Increase in refundable deposits	(998)	(1,545)
Decrease in refundable deposits	1,460	223
Acquisition of intangible assets	(4,651)	(2,089)

KMC (KUEI MENG) INTERNATIONAL INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
Increase in other non-current assets	(13,952)	(674)
Increase in prepayments for equipment	(10,966)	(24,070)
Interest received	64,099	78,791
Net cash used in investing activities	(638,932)	(2,102,262)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	10,289,600	9,697,000
Repayments of short-term borrowings	(10,680,847)	(9,473,771)
Proceeds from short-term bills payable	500,000	500,000
Repayments of short-term bills payable	(601,413)	(501,119)
Proceeds from long-term borrowings	2,213,912	1,187,916
Repayments of long-term borrowings	(1,770,516)	(1,348,848)
Guarantee deposits received	903	-
Refund of guarantee deposits received	(2,730)	(20)
Repayment of the principal portion of lease liabilities	(4,554)	(10,023)
Cash dividends	(586,711)	(390,049)
Interest paid	(41,728)	(36,101)
Net cash used in financing activities	(684,084)	(375,015)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	54,903	148,865
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(104,129)	(1,013,823)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	2,253,257	3,267,080
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 2,149,128	$ 2,253,257

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

INDEPENDENT AUDITORS' REPORT
(Parent Company Only Financial Statements)

The Board of Directors and Shareholders
KMC (KUEI MENG) International Inc.

Opinion

We have audited the accompanying standalone financial statements of KMC (KUEI MENG) International Inc. (the "Company"), which comprise the standalone balance sheets as of December 31, 2025 and 2024, and the standalone statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the standalone financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying standalone financial statements present fairly, in all material respects, the standalone financial position of the Company as of December 31, 2025 and 2024, and its standalone financial performance and its standalone 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 Auditing and Attestation of Financial Statements by 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 Standalone 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 standalone financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The description of the key audit matter of the Company's standalone financial statements for the year ended December 31, 2025 is as follows:

<u>Revenue recognition</u>

The Company sells its products in Asia, America and Europe. Sales revenue is significant to the standalone financial statements and is presumed risk account under the Regulations Governing Auditing and Attestation of Financial Statements; thus, we deemed the validity and occurrence of sales of specific customers whose gross margin rate has significant growth than last year to be a key audit matter.

The main audit procedures we performed in response to the key audit matter described above were as follows:

5. We understood and tested the operating effectiveness of internal controls and operation procedures in sales and payment collection cycle.

6. We selected a moderate number of samples from sales revenue and inspected delivery documents or documents of customs, and relevant documents of collections to test the authenticity of the sales.

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 standalone 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 standalone financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the standalone 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 standalone financial statements for the year ended December 31, 2025 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 Hing-ju, Liao and Chi-Chen Li.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 27, 2026

Notice to Readers

The accompanying 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 financial statements are those generally accepted and applied in the Republic of China.

For the convenience of readers, the auditors' report and the accompanying 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 standalone financial statements shall prevail.

KMC (KUEI MENG) INTERNATIONAL INC.
STANDALONE BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	December 31, 2025		December 31, 2024	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 320,711	3	$ 405,280	3
Financial Assets at fair value through profit or loss-current (Notes 4, 7 and 16)	-	-	100	-
Financial assets at amortized cost - current (Notes 4 and 8)	232,242	2	10,747	-
Notes receivable (Notes 4, 9 and 22)	2,472	-	2,026	-
Accounts receivable (Notes 4, 9 and 22)	90,356	1	94,659	1
Accounts receivable from related parties (Notes 4, 9, 22 and 28)	262,225	2	523,682	5
Other receivables (Note 4)	1,380	-	700	-
Other receivables from related parties (Notes 4 and 28)	6,600	-	6,885	-
Inventories (Notes 4 and 10)	38,403	-	33,755	-
Other current assets (Note 15)	4,994	-	6,647	-
Total current assets	959,383	8	1,084,481	9
NON-CURRENT ASSETS				
Investments accounted for using equity method (Notes 4 and 11)	10,998,421	91	10,472,150	90
Property, plant and equipment (Notes 4 and 12)	3,874	-	647	-
Right-of-use assets (Notes 4 and 13)	3,526	-	5,026	-
Other intangible assets (Notes 4 and 14)	3,213	-	9,871	-
Deferred tax assets (Notes 4 and 24)	53,965	1	66,809	1
Other non-current assets (Note 4)	6,231	-	3,848	-
Total non-current assets	11,069,230	92	10,558,351	91
TOTAL	$ 12,028,613	100	$ 11,642,832	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 4 and 17)	$ 294,028	3	$ 1,100,000	10
Short-term bills payable (Notes 4 and 17)	-	-	99,875	1
Accounts payable (Note 18)	4,826	-	72,41	-
Accounts payable to related parties (Notes 18 and 28)	336,341	3	344,983	3
Other payables (Note 19)	29,452	-	33,674	-
Dividends payable	238,888	2	349,359	3
Other payable to related parties (Note 28)	10,716	-	2,074	-
Current tax liabilities (Notes 4 and 24)	212,676	2	84,033	1
Lease liabilities - current (Notes 4, 13 and 28)	1,935	-	1,826	-
Puttable Bonds maturing within one year or one operating cycle (Notes 4 and 16)	985,628	8	1,826	-
Other current liabilities (Notes 4, 17, 19 and 22)	11,680	-	25,389	-
Total current liabilities	2,126,170	18	2,048,454	18
NON-CURRENT LIABILITIES				
Bonds payable (Notes 4, 7 and 16)	-	-	969,153	8
Long-term borrowings (Notes 4 and 17)	1,013,000	8	300,000	3
	1,283	-	-	-
Lease liabilities - non-current (Notes 4, 13 and 28)	1,628	-	3,213	-
Total non-current liabilities	1,015,911	8	1,272,366	11
Total liabilities	3,142,081	26	3,320,820	29
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 21)				
Capital stock - common stock	1,260,008	10	1,260,008	11
Capital surplus	1,760,303	15	1,760,303	15
Retained earnings				
Legal reserve	1,339,645	11	1,242,489	10
Special reserve	859,445	7	361,280	3
Unappropriated earnings	4,051,059	34	4,156,854	36
Total retained earnings	6,250,149	52	5,760,623	49
Other equity	(383,928)	(3)	(458,922)	(4)
Total equity attributable to owners of the Company	8,886,532	74	8,322,012	71
TOTAL	$ 12,028,613	100	$ 11,642,832	100

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

KMC (KUEI MENG) INTERNATIONAL INC.
STANDALONE STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 4, 22 and 28)	$ 1,726,309	100	$ 1,738,529	100
OPERATING COSTS (Notes 10 and 28)	959,223	56	886,958	51
GROSS PROFIT	767,086	44	851,571	49
Unrealized gain on transactions with subsidiaries (Note 4)	(312,127)	(18)	(2,078,644)	(119)
Realized gain on transactions with subsidiaries (Note 4)	374,591	22	1,925,732	111
REALIZED GROSS PROFIT	829,550	48	698,659	41
OPERATING EXPENSES (Notes 9, 23 and 28)				
Selling and marketing expenses	64,168	4	48,264	3
General and administrative expenses	73,879	4	70760	4
Research and development expenses	542	-	572	-
Expected credit loss (gain)	(395)	-	(310)	-
Total operating expenses	138,194	8	119,286	7
PROFIT FROM OPERATIONS	691,356	40	579,373	34
NON-OPERATING INCOME AND EXPENSES (Notes 4, 7, 23 and 28)				
Interest income	11,873	1	12,864	1
Other income	2,422	-	2,018	-
Other gains and losses	(25,994)	(2)	(9,308)	(1)
Share of profit of associates	494,203	29	490,705	28
Finance cost	(45,748)	(3)	(42,870)	(2)
Total non-operating income and expenses	436,756	25	453,409	26
PROFIT BEFORE INCOME TAX	1,128,112	65	1,032,782	60
INCOME TAX EXPENSE (Notes 4 and 24)	163,089	9	116,221	7
NET PROFIT	965,023	56	916,561	53

KMC (KUEI MENG) INTERNATIONAL INC.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	**%**	**Amount**	**%**
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Share of the other comprehensive income of subsidiaries accounted for using the equity method	743	-	(599)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations (Note 21)	9,017	-	425	-
Share of the other comprehensive income of subsidiaries accounted for using the equity method (Note 21)	65,977	4	279,769	16
	74,994	4	280,194	16
Other comprehensive income (loss) for the year, net of income tax	75,737	4	279,595	16
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 1,040,760	60	$ 1,196,156	69
EARNINGS PER SHARE (Note 25)				
Basic	$ 7.66		$ 7.27	
Diluted	$ 6.32		$ 6.97	

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

KMC (KUEI MENG) INTERNATIONAL INC.

STANDALONE STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Dividends Per Share)

	Equity Attributable to Owners of the Company						
			Retained Earnings			Other Equity	
	Capital Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Total Equity
BALANCE, JANUARY 1, 2024	1,260,000	1,760,215	1,157,020	596,364	3,605,145	(739,116)	7,639,628
Appropriation of earnings (Note 21)							
Legal reserve	-	-	85,469	-	(85,469)	-	-
Special reserve	-	-	-	(235,084)	235,084	-	-
Cash dividends distributed by the Company	-	-	-	-	(513,868)	-	(513,868)
Net profit for the year ended December 31, 2024	-	-	-	-	916,561	-	916,561
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	(599)	280,194	279,595
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	915,962	280,194	1,196,156
Equity component of convertible bonds issued by the Company (Notes 16 and 21)	8	88	-	-	-	-	96
BALANCE, DECEMBER 31, 2024	1,260,000	1,760,303	1,242,489	361,280	4,156,854	(458,922)	8,322,012
Appropriation of earnings (Note 21)							
Legal reserve	-	-	97,156	-	(97,156)	-	-
Special reserve	-	-	-	498,165	(498,165)	-	-
Cash dividends distributed by the Company	-	-	-	-	(476,240)	-	(476,240)
Net profit for the year ended December 31, 2025	-	-	-	-	965,023	-	965,023
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	743	74,994	75,737
Total comprehensive income for the year ended December 31, 2025	-	-	-	-	965,766	74,994	1,040,760
Equity component of convertible bonds issued by the Company (Notes 16 and 21)	-	-	-	-	-	-	-
BALANCE, DECEMBER 31, 2025	$ 1,260,000	$ 1,760,303	$ 1,242,489	$ 361,280	$ 4,156,854	$ (458,922)	$ 8,322,012

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

KMC (KUEI MENG) INTERNATIONAL INC.
STANDALONE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 1,128,112	$ 1,032,782
Adjustments for:		
Depreciation expenses	2,791	3,361
Amortization expenses	6,658	7,125
Expected credit loss (gain) recognized on accounts receivable	(395)	(310)
Finance costs	45,748	42,870
Interest income	(11,873)	(12,864)
Share of profit of associates	(494,203)	(490,705)
Unrealized (realized) gain on the transactions with subsidiaries	(62,464)	152,912
Unrealized loss (gain) on foreign currency exchange	(6,414)	1,754
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	100	100
Notes receivable	(446)	5,640
Accounts receivable	5,342	(44,309)
Accounts receivable from related parties	(269,375)	(403,544)
Other receivables(include related parties)	417	108
Inventories	(4,648)	(18,581)
Other current assets	1,653	(2,715)
Accounts payable	(2,415)	1,243
Accounts payable to related parties	(19,392)	156,834
Other payables	(4,421)	(2,360)
Other payables to related parties	8,286	402
Other current liabilities	(13,709)	13,475
Cash generated from operations	848,102	443,218
Income tax paid	(20,319)	(224,439)
Net cash generated from operating activities	827,783	218,779
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at amortized cost	(221,495)	23,523
Increase in prepayments for equipment	(6,469)	(3,156)
Interest received	11,213	12,971
Dividends received from subsidiaries and associates	457,644	188,943
Net cash generated in investing activities	240,893	222,281

KMC (KUEI MENG) INTERNATIONAL INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	6,181,600	8,584,000
Repayments of short-term borrowings	(6,990,847)	(8,562,442)
Proceeds from short-term bills payable	499,597	500,000
Repayments of short-term bills payable	(600,916)	(501,119)
Proceeds from long-term borrowings	2,206,000	1,832,000
Repayments of long-term borrowings	(1,493,000)	(1,837,000)
Repayment of the principal portion of lease liabilities	(1,984)	(1,975)
Cash dividends	(586,711)	(390,049)
Acquisition of additional interests in subsidiaries	(351,511)	(68,348)
Interest paid	(27,562)	(25,583)
Net cash used in financing activities	(1,165,334)	(470,516)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	12,089	4,358
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(84,569)	(25,098)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	405,280	430,378
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 320,711	$ 405,280

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

(Concluded)

Attachment V
Attachment V 2025 Earnings Distribution Table

KMC (Kuei Meng) International Inc.
2025 Earnings Distribution Table

Unit: NT$

Items	Amount
Accumulated un-appropriated earnings at the beginning of the period	3,931,551,522
Retained earnings adjustment for the beginning of the period	743,533
Adjusted Accumulated un-appropriated earnings at the beginning of the period	3,932,295,055
2025 Net Profit	965,022,641
Less: Setting aside 10% legal reserve	(96,576,617)
Less: Setting aside special reserves	74,993,209
Earnings available for distribution as of December 31, 2025	4,875,734,288
Distribution Item [Note 1] :	
1Q25 Cash Dividends to Shareholders	(127,877,000)
2Q25 Cash Dividends to Shareholders	(108,590,000)
3Q25 Cash Dividends to Shareholders	(130,298,000)
4Q25 Cash Dividends to Shareholders	(105,193,000)
Un-appropriated Earnings	4,403,776,288

Note 1: Cash dividends were approved by the Board of Directors and to be reported at the Annual Shareholders' Meeting.

Attachment VI

Attachment VI List of Director candidates approved by the board of directors

Title/Name	Shareholdings (shares)	Spouse & Minor Shareholding	Education and important experience
Directors: KMC TRANSTON INDUSTRIES LIMITED Representative Wu, Ying-Chin	47,412,256	437,041	President of KMC Chain Industrial Co., Ltd EMBA, National Sun Yat-sen University
Directors: KMC TRANSTON INDUSTRIES LIMITED Representative Wu, Jui-Chang	47,412,256	7,902,040	CEO of KMC Chain Industrial Co., Ltd MBA, Nanyang Technological University
Directors: Chang Hsing Investment Co., Ltd Representative Kao, Ting-Nan	350,000	3,000	Chairman of Whole Man Enterprise Co., Ltd
Directors: Hsu, Yang-Kang	0	0	MBA, National Taipei University of Science and Technology
Independent Directors: Tsai, Hsueh-Ling	0	0	Managing attorney of Hsueh-Ling Tsai law office Chairman, Tainan Bar Association Director, Taiwan Bar Association Attorney-at-law, Republic of China School of law, Wisconsin State University Department of law, National Taiwan University
Independent Directors: Peng, Yu-Min	0	0	Distinguished expert of Industrial Technology Research Institute Chairman of Chinese Society for Management of Technology Vice-chairman of Taiwan Chemical Industry Association Vice-president of Industrial Technology Research Institute General Director of Material and Chemical Research Laboratories Ph.D., Department of Materials Science and Engineering, The University of Manchester Department of Chemical Engineering, National Taipei University of Science and Technology

Title/Name	Shareholdings (shares)	Spouse & Minor Shareholding	Education and important experience
Independent Directors: Chang, Chia-Ming	0	0	Vice-president of Capital Market Department, KGI Securities MBA, Drexel University Department of Accounting, National Chengchi University

Note 1: The Company has issued a total of 126,000,772 shares. Pursuant to Article 26 of the Securities and Exchange Act, the minimum number of shares that must be collectively held by all directors is 8,000,000 shares. At present, the total number of shares held by the director candidates is 47,762,256 shares, which has met the minimum shareholding requirement.

Attachment VI List of Director Candidates for Release from Non-Competition Restrictions

Title	Name	Selected Current Positions at Other Companies
Directors	KMC TRANSTON INDUSTRIES LIMITED Representative Wu, Ying-Chin	The Authorized Representative of the Juristic Person acts as the Chairman of Kynamic Inc., the Authorized Representative of the Juristic Person acts as the Director of PRO (TAIWAN) PROCUREMENT CO., LTD, chairman of KMC(BVI) Holding Co., Ltd., director of KMC CHAIN EUROPE N.V., director of KMC Chain American Corporation, chairman of KMC Chain (Shenzhen) Co., Ltd., the Authorized Representative of the Juristic Person acts as the Chairman of KMC TRANSTON INDUSTRIES LIMITED, the Authorized Representative of the Juristic Person acts as the Chairman of LO,CHI-NI Investment Co., Ltd., director of PEI-JUI Investment Co., Ltd., director of CHENG-YUAN Investment Co., Ltd., the Authorized Representative of the Juristic Person acts as the Supervisor of HSUN-LI Investment Co., Ltd., chairman of K.M.C. Global Co., Ltd., director of KMC BEARING INDUSTRIAL CO., LTD. the Authorized Representative of the Juristic Person acts as the Supervisor of Supreme Profit International Co., Ltd., director of Nan-hua Universal Investment Co., Ltd., director of President Industry Development (Shenzhen) Co.,Ltd., director of Surmount Technological (Shenzhen) Co., Ltd., director of K.M.C. Transmission (Tianjin) Co., Ltd., chairman of K.M.C. Transmission (Chengdu) Co., Ltd., director of Cycling Life-Style Foundation, chairman of Taiwan Bicycle Association
Directors	KMC TRANSTON INDUSTRIES LIMITED Representative Wu, Jui-Chang	The Authorized Representative of the Juristic Person acts as the Chairman of KMC CHAIN INDUSTRIAL CO., LTD., the Authorized Representative of the Juristic Person acts as the Chairman of KMC Automobile Transmission CO., LTD., Supervisor of KMC BEARING INDUSTRIAL CO., LTD. the Authorized Representative of the Juristic Person acts as the Director of Kynamic Inc., chairman of KMC Investment (China) Co., Ltd., chairman of KMC Transmission (Tianjin) Co., Ltd., chairman of KMC Chain (Suzhou) Co., Ltd., vice chairman of KMC Chain (Shenzhen) Co., Ltd., chairman of Suzhou Kmc Industry and Trade Co., Ltd., chairman of Taichang Tec Industry Co., Ltd., chairman of KMC International Trading (Taicang) Co., Ltd., chairman of Shenzhen KMC Industrial Co., Ltd., chairman of KMC Chain (Vietnam) Co., Ltd., chairman of PT. Kuei Meng Chain Indonesia, the Authorized Representative of the Juristic Person acts as the Director of KMC TRANSTON INDUSTRIES LIMITED, director of President Industry Development (Shenzhen) Co.,Ltd., director of Surmount Technological (Shenzhen) Co., Ltd., chairman of K.M.C. Transmission (Tianjin) Co., Ltd., director of K.M.C. Transmission (Chengdu) Co., Ltd.

Title	Name	Selected Current Positions at Other Companies
Directors	Chang Hsing Investment Co., Ltd Representative Kao, Ting-Nan	Chairman of WHOLE MAN ENTERPRISE CO., LTD., chairman of Chang Hsing Investment Co., Ltd., chairman of Chang You Investment Co., Ltd., chairman of Chang Bo Investment Co., Ltd.
Directors	Hsu, Yang-Kang	The Authorized Representative of the Juristic Person acts as the Supervisor of KMC TRANSTON INDUSTRIES LIMITED, chairman of Nan-hua Universal Investment Co., Ltd., the Authorized Representative of the Juristic Person acts as the Chairman of Formosan Black Bear Investment Co., Ltd., chairman of KF Refrigeration Technology Co., Ltd., supervisor of PEI-JUI Investment Co., Ltd, supervisor of CHENG-YUAN Investment Co., Ltd., the Authorized Representative of the Juristic Person acts as the Director of WEI HAU ACCESSORIES CO., LTD. , the Authorized Representative of the Juristic Person acts as the Chairman of Klasshine International CO., LTD., supervisor of Surmount Technological (Shenzhen) Co., Ltd., supervisor of K.M.C. Transmission (Tianjin) Co., Ltd., supervisor of K.M.C. Transmission (Chengdu) Co., Ltd., supervisor of KMC Investment (China) Co., Ltd.
Independent Directors	Tsai, Hsueh-Ling	Independent Director of NeoCore Technology Co., Ltd., independent Director of Tekom Technologies Inc., chairman of Shanghua Eastern Management Consulting Co., Ltd.
Independent Directors	Peng, Yu-Min	Chairman of RePV Tech , INC., Chairman of Chieh Min Investment Co., Ltd., Independent Director of LCY TECHNOLOGY CORP., Independent Director of Shiny Chemical Industrial Co.,Ltd.,
Independent Directors	Chang, Chia-Ming	Independent Director of CHROMA ATE INC., Independent Director of P-DUKE Technology Co., Ltd., Supervisor of RePV Tech , INC.

Attachment VII The comparison of the contents before and after amendment for the Operational procedures for Acquisition and Disposal of Assets.

Before Amendment	After Amendment
Article 12: The procedures for acquisition or disposal of assets by the Company and the limitation of amounts thereof should be as follows: 1. The acquisition or disposal of long term security investment should be reviewed and appraised by the department responsible therefor and implemented after approval by the Board of Directors while the Board can authorize the Chairman to handle the matter and report to the Board for recognition on an after-the-event basis. 2. The acquisition or disposal of short term security investment should be reviewed and appraised by the department responsible therefor and implemented within the limits of amount set forth in this Article. 3. The acquisition or disposal of real estate should be reviewed and appraised by the department responsible therefor and implemented after approval by the Board, while the Board can authorize the Chairman to handle the matter and report to the Board for recognition on an after-the-event basis. 4. The acquisition of other fixed assets, memberships or intangible assets should be handled by the department responsible therefor in accordance with relevant internal rules of the Company after approval by the Board. The disposal of other fixed assets should be directly handled by the department responsible therefor in accordance with relevant internal rules of the Company. 5. Responsible Departments: Acquisition or disposal of long/short term security investments: Finance Department or other related departments. Acquisition or disposal of real estate and other fixed assets, memberships and intangible assets: Management Department or other related departments. 6. Limits of Amount: Total amount of investments that	Article 12: The procedures for acquisition or disposal of assets by the Company and the limitation of amounts thereof should be as follows: 1. The acquisition or disposal of long term security investment should be reviewed and appraised by the department responsible therefor and implemented after approval by the Board of Directors; <u>provided, however, that the Board of Directors may authorize the Chairman to approve and handle such matters within the authorized limit, and such matters should be submitted to the next Board meeting for recordation after the fact.</u> 2. <u>The acquisition or disposal of short-term securities investments should be evaluated by the responsible executing unit and implemented upon approval by the Board of Directors; provided, however, that the Board of Directors may authorize the Chairman to approve and handle such matters within the authorized limit, and such matters should be submitted to the next Board meeting for recordation after the fact</u>. 3. The acquisition or disposal of real property, <u>equipment, and right-of-use assets</u> should be reviewed and appraised by the department responsible therefor and implemented after approval by the Board; <u>provided, however, that the Board of Directors may authorize the Chairman to approve and handle such matters within the authorized limit, and such matters should be submitted to the next Board meeting for recordation after the fact.</u> 4. The acquisition of other fixed assets, memberships or intangible assets should be handled by the department responsible therefor in accordance with the relevant internal rules of the Company after approval by the Board. The disposal of other fixed

Before Amendment	After Amendment
acquisition of real estate or securities by the Company and its subsidiaries for non-operating purpose shall be limited as follows: (1) The accumulated amount of all short term security investments for short term fund dispatching shall not exceed 50% of the Company's shareholders' equity as stated in its latest financial statement and the net value of security acquisition from the same company shall not exceed 20% of the Company's shareholders' equity as stated in its latest financial statement. Each subsidiary's investments in the preceding paragraph shall not exceed 20% and 10% of its shareholders' equity as stated in its latest financial statement. (2) The accumulated amount of all long term security investments shall not exceed 60% of the Company's shareholders' equity as stated in its latest financial statement and the net value of security acquisition from the same company shall not exceed 30% of the Company's shareholders' equity as stated in its latest financial statement. The subsidiary which is not investment holding company, its investments in the preceding paragraph shall not exceed 20% and 10% of its shareholders' equity as stated in its latest financial statement. The amount which is authorized by the Board of Directors: (1) When engaging in derivatives transactions, the Company shall follow the Section 4 in the Operating Procedures. (2) Except for the derivatives transactions, the chairman may acquire or dispose of assets within 50 million of each case.	assets should be directly handled by the department responsible therefor in accordance with the relevant internal rules of the Company<u>; provided, however, that the Board of Directors may authorize the Chairman to approve and handle any of the foregoing matters within the authorized limit, and such matters should be submitted to the next Board meeting for recordation after the fact.</u> 5. Responsible Departments: Acquisition or disposal of long/short term security investments: Finance Department or other related departments. Acquisition or disposal of real estate and other fixed assets, memberships and intangible assets: Management Department or other related departments. 6. Limits of Amount: Total amount of investments that acquisition of real estate or securities by the Company and its subsidiaries for non-operating purpose shall be limited as follows: (1) The accumulated amount of all short term security investments for short term fund dispatching shall not exceed 50% of the Company's shareholders' equity as stated in its latest financial statement and the net value of security acquisition from the same company shall not exceed 20% of the Company's shareholders' equity as stated in its latest financial statement. Each subsidiary's investments in the preceding paragraph shall not exceed 20% and 10% of its shareholders' equity as stated in its latest financial statement. (2) The accumulated amount of all long term security investments shall not exceed 60% of the Company's shareholders' equity as stated in its latest financial statement and the net value of security acquisition from the same company shall not exceed 30% of the Company's shareholders' equity as stated in its latest financial statement. The subsidiary which is not investment holding company, its investments in the preceding paragraph

Before Amendment	After Amendment
	shall not exceed 20% and 10% of its shareholders' equity as stated in its latest financial statement. The amount which is authorized by the Board of Directors: (1) When engaging in derivatives transactions, the Company shall follow the Section 4 in the Operating Procedures. (2) Except for the derivatives transactions, the chairman may acquire or dispose of assets within 50 million of each case.
Article 38 These Procedures shall be approved by the Board of Directors and submitted to the shareholders' meeting for consent; the same shall apply to any amendments hereto.	Article 38 These Procedures shall be approved by the Audit Committee and the Board of Directors, and subsequently submitted to the shareholders' meeting for consent. The same shall apply to any amendments hereto.