和泰集團
Hotai Group

和泰汽車股份有限公司
Hotai Motor Co., Ltd.

Stock code: 2207

和泰集團
與美好台灣同行

Handbook for the 2026 Annual General Meeting of Shareholders



May 27, 2026

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I. Agenda of the Annual General Shareholders' Meeting

Time: 9:00 am, May 27 (Wednesday), 2026

Method: On-site shareholders' meeting

Venue: 1F, Xinzhuang Industrial Park of the Company, located at No.10, Mingzhong St., Xinzhuang Dist., New Taipei City.

1. Meeting call to order and remarks by Chairman
2. Reports:
   (1) 2025 Business Report.
   (2) 2025 Audit Committee Report.
   (3) 2025 Distribution of Earnings with Cash Dividends.
   (4) 2025 Distribution of Employee and Director's Remuneration.
3. Ratifications:
   (1) 2025 Business Report and Financial Statements.
   (2) 2025 Earning Distribution.
4. Discussion:
   (1) Amendments to Procedures for Lending Funds to Others.
   (2) Proposal to release directors from non-compete restriction.
5. Extempore Motions
6. Adjournment

II. Reports

1. 2025 Business Report is submitted for review.

Explanation: Please see Attachment 1 for the Company's 2025 Business Report (Pages 7-9).

2. 2025 Audit Committee Report is submitted for review.

Explanation:

(1) The Company's 2025 Business Report, Financial Statements, 2025 Earning Distribution and other important financial documents have been reviewed by the Audit Committee. Based on the review, the Audit Committee has issued a report of approval.

(2) Please see Attachment 2 (page 10) for the Audit Committee Report of Approval.

3. 2025 Earnings Distribution with Cash Dividends is submitted for review.

Explanation:

(1) The distribution shall be declared and made in accordance with Paragraph 5, Article 240 of the Company Act and Article 35 of the Company's Articles of Incorporation.

(2) According to Article 35 of the Company's Articles of Incorporation, the decision to distribute all or part of the dividends and/or bonuses in cash shall be adopted by a resolution of the majority of the Board of Directors in a meeting attended by over two-thirds of the directors and reported to the shareholders' meeting.

(3) The Company's 2025 earnings was resolved by the 22nd term of the Board of Directors at the 8th meeting to approve a dividend of NT$20 per share, and a total of NT$11,142,055,360 in cash dividends will be distributed to shareholders; the Chairman of the Board will be authorized to decide on the ex-dividend and payment dates for cash dividends distribution and other relevant matters.

4. 2025 Distribution of Employee and Director's Remuneration Report is submitted for review.

Explanation:

(1) The distribution shall be declared and made in accordance with Article 235-1 of the Company Act and Article 34 of the Company's Articles of Incorporation.

(2) According to Article 34 of the Articles of Incorporation of the Company, to the extent that the Company has generated annual profits, 1% of which shall be set aside for employee remuneration and no more than 2% for directors' remuneration. However, independent directors are not eligible to participate in the remuneration distribution of the Company. However, if the Company still has accumulated losses, it should first set aside an amount to offset those losses.

(3) The Company's profits in 2025 are NT$22,442,015,953 (pre-tax profits prior to employee and director's remuneration deductions), 1% of which has been set aside for employee remuneration (totaling NT$ 224,420,160, of which NT$44,884,032 is allocated to junior-level employees), and 2% of which has been set aside for director remuneration (totaling NT$ 448,840,319).

III. Ratifications

1. (Proposed by Board of Directors)

Proposal: 2025 Business Report and Financial Statements are submitted for ratification.

Explanation:

(1) The Company's 2025 Business Report and Financial Statements have been adopted by the resolution of the 22nd term of the Board of Directors at the 8th meeting, audited and certified by PwC Taiwan, and reviewed by the Audit Committee.

(2) Please refer to Attachment 1 (Pages 7-9) and Attachment 3 (Pages 11-36) for the Company's 2025 Business Report and Financial Statements.

Resolution:

2. (Proposed by Board of Directors)

Proposal: 2025 Earnings Distribution is submitted for approval.

Explanation:

(1) After setting aside 10% of the 2025 earnings as legal reserve, the Company, pursuant to the resolution of the 22nd term of the Board of Directors at the 8th meeting, intends to distribute a cash dividend of NT$ 20 per share.

(2) Please refer to Attachment 4 (Page 37) for the 2025 Earnings Distribution Table.

Resolution:

IV. Discussion

1. (Proposed by Board of Directors)

Proposal: Amendments to Procedures for Lending Funds to Others.

Explanation:

(1) Based on the business needs of the Company, it is proposed to amend the Company's "Procedures for Lending Funds to Others."

(2) For the comparison table of the revised articles, please refer to Attachment 5 (Pages 38-42).

Resolution:

2. (Proposed by Board of Directors)

Proposal: Release of Director's Non-Compete Restrictions is submitted for discussion.

Explanation:

(1) In the event that a director of the Company engages in any acts specified in Article 209 of the Company Act, it is the Company’s intention to release such newly appointed director and his or her appointed representatives from noncompete restrictions on holding concurrent positions in businesses similar to those listed in the Company’s scope of business (to the extent that such positions are held out of business needs, as of the date on which such directors take office, and provided that doing so will not harm the interests of the Company).

(2) The board proposed to submit to the annual general meeting of the shareholders the proposal to release the directors from non-compete restrictions, please refer to Attachment 6 (Page 43) for details of the Release of Director's Non-Compete Restrictions.

Resolution:

V. Extempore Motions

VI. Adjournment

VII. Attachments

Attachment 1

2025 Business Report

Taiwan's Automotive Market

In 2025, the global trade environment experienced significant fluctuations due to the tariff policies the USA. However, Taiwan benefited from the effect of companies stocking up in advance and the development of AI technology innovation applications, mitigating the economic impact of high tariffs. The annual economic growth reached 8.68%, increased by 3.41% compared with 2024. Although the automotive market experienced a strong wait-and-see attitude due to unclear import tariff policies, in September, the government announced reductions in new vehicle commodity taxes and extended subsidies for the replacement policy. Along with the promotions from various brands, the final total number of registered vehicles for the whole year was 414,436 units, 91% compared to last year.

Operational Overview and Business Results

To keep up with a rapidly changing market, Hotai Motor works closely with the major factories of Toyota Motor Corporation and Hino Motors. In 2025, in addition to maintaining an adequate supply of various mass-produced models, we introduced redesigned, upgraded models—TOYOTA LAND CRUISER, bZ4X, and LEXUS RZ. The combined number of registered vehicles from the three brands distributed by Hotai Motor exceeded 160 thousand units, achieving a market share of 38.6%, marking the highest in 16 years. TOYOTA had 125 thousand units of registered vehicles, which accounted for 30.1% of the market share. Among them, the COROLLA CROSS has claimed the No. 1 selling position for five consecutive years and has once again set a new historical record for the number of units sold since its launch. Along with the RAV4, TOWN ACE, and YARiS CROSS, they are among the top five mass-produced models in the total market. LEXUS recorded over 28 thousand units in vehicle sales, achieving a market share of 28.0%, and continued to rank top in the luxury vehicles market for the third year in a row. Among them, the RX, UX, and LM were the best-selling models in the luxury full-size SUV, compact SUV, and L-MPV categories, respectively. HINO and TOYOTA commercial vehicles also became the customer's top choice, and its 3.49-ton commercial vehicles and above also recorded 6,611 units in vehicle sales, which accounted for 37.6% of the market share and continued to rank top in the commercial vehicles market for the fifth year in a row.

Since Hotai Motor was founded, we have accumulated extensive experience in product planning, marketing, customer service and continued to grow steadily and invest in diversified operations. In addition to our core business, vehicle sales and services, we have proactively expanded the automotive industry's peripheral value chain through related companies under the Hotai Group, driving continuous innovation and progress. For instance, Horun Enterprise and its subsidiary's annual installment business undertakings totaled nearly NT$180 billion, maintaining its leading position in the auto financing sector. Hotai Connected Co., Ltd., along with Hoing Mobility Service Co., Ltd. for the iRent short-term rental business, Hotai Mobility Service Co., Ltd. for the yoxi chauffeur-driven shared car service, and the long-term rental market leader Hotai Leasing Co., Ltd., utilize group resources to establish a comprehensive mobility service. Additionally, via the travel planning app chicTrip, connected mobility is expanded with services like the Hotai Go online shopping mall and OpenHub charging roaming, creating a complete ecosystem for Mobility-as-a-Service (MaaS). ChicTrip has become the No.1 downloaded travel planning app in Taiwan and continues to expand domestic and foreign business collaborations, tapping into tourism opportunities. Hotai Auto Body Manufacturing Co., Ltd., Hotai Auto Body Sales Co., Ltd., and Hotai Bus Sales Co., Ltd. aggressively target the commercial vehicle market, offering comprehensive solutions from car ordering to body customization, meeting the need for quick new vehicle deployment for businesses. Carmax Co., Ltd., specializing in automotive accessories, has long invested in core areas like multimedia hosts, safety technology, and IoV applications, and recently expanded into international markets, breaking NT$14 billion in revenue in 2025. Hotai Insurance Co., Ltd. continues stable operations, with premium income exceeding NT$16 billion in 2025, accounting for a 5.5% market share, ranking sixth in Taiwan's non-life insurance market, and winning multiple awards in the company category of the 27th Faith, Hope & Love Awards for the Insurance Industry.

In terms of overseas operations, the Company has been investing in China since 1997 and has been deeply rooted there for 29 years. Through our operational headquarters, Hotong Motor Investment, we have established an operational structure that integrates resources and reduces the Group’s operating costs, enhancing the Group's overall competitiveness and expanding our business presence. In 2025, due to the thriving of new energy vehicles, and benefited from various subsidy policies such as replacement in China, the total market sales of cars exceeded 34.40 million units, an increase of 9.4% compared with 2024. Although China subsidiaries invested in by the Company is in an environment of fierce competition, and it can maintain the motivation of sales and services, to operate steadily to comply with the policy of factory, through extending the business of second-hand car, accessories of car supplies and car beauty.

Financial Performance

In 2025, the Company’s consolidated revenue totaled NT$282.61 billion, the consolidated profit before tax was NT$27.42 billion, and the consolidated net profit was NT$22.47 billion; NT$18.90 billion of the net profit was attributed to the parent company, Hotai Motor. The earnings per share was NT$33.93.

Management and Corporate Development

In 2026, the global economic climate gradually stabilizes. Driven by strong demand for semiconductor and applications of artificial intelligence (AI), Taiwan's related exports continue to grow, and the overall economy is expected to show moderate growth. Under the dual incentives from policy continuity and demand replenishment, the automotive market is expected to be more active than last year, with the total market for the year projected to reach 440,000 units. As the trend shifts towards net-zero emissions and the transformation of the automotive industry continues, we continue to the pursuit of transformative innovation and diversify our strategies by promoting eco-powered new energy vehicles, such as pure EV TOYOTA bZ4X, URBAN CRUISER, and LEXUS RZ, various hybrid electric vehicles, plug-in hybrids, and hydrogen-powered electric buses. We aim to provide a wider range of products and services that exceed customer expectations, striving to achieve a record 25 consecutive years of leadership in the passenger vehicle segment and maintaining the top position in commercial vehicle sales. Besides, the Company has also initiated overseas expansion by investing in the Japanese commercial vehicle business, extending our operational footprint into the Japanese market, which brings new growth momentum to the Group.

In addition to maintaining a leading position in the automotive market, as a leader in Mobility as a Service (MaaS), the Company will continue to deepen its digital transformation strategy through the newly established "AI Development Bureau" to coordinate group resources. We are committed to promoting an innovative culture of "AI+ for All," leveraging AI to drive the evolution of mobility services and create a smarter and more convenient future of mobility for our customers.

While pursuing operation performance growth, we are also committed to Toyota's mission of "Producing Happiness for All", which promotes the idea of creating happiness on a larger scale for society. Moreover, we have integrated resources from our core business and actively invested in ESG (Environmental, Social, and Governance), developing four key sustainability pillars: Mobility—freedom of movement, Openness—social well-being, Value—talent appreciation, and Eco—environmental friendliness. The "Standing by Our Beautiful Taiwan" campaign reflects our commitment to sustainability and focuses on aligning our efforts with local needs to become the benchmark of ESG practices in the automotive industry.

In the face of a global automotive industry transformation and a fast-changing market, our top priority has always been to accommodate the needs of our customers. By adopting the mindset of "think Amazing", our goal is to provide consumers with an exceptional customer experience and create a whole new era of mobility service for the Group. Not only do we live up to our promise to "Do Amazing", but we also strive to "Do the Impossible". Through ongoing innovation and fulfilling our corporate social responsibility commitments, we are confident that we can strengthen our commanding leadership position in the automotive industry and deliver high profits once again.

Chairman: Huang, Nan-Kuang Manager: Su, Chwen-Shing Chief Accountant: Chen, Ting-Ju

Attachment 2

Hotai Motor Co., Ltd.

Audit Committee's Report of Consent

The Board of Directors has prepared and submitted the Company's 2025 financial statements (including consolidated financial statements), the business report, and the proposal for profit distribution. Among these, the 2025 financial statements (including consolidated financial statements) have been audited by CPAs Hsiao Chun-Yuan and Hsu Sheng-Chung of PwC Taiwan, and an audit report has been issued accordingly.

The aforementioned 2025 financial statements (including consolidated financial statements), business report, and profit distribution proposal have been reviewed and finalized by the Audit Committee. The members of the Committee have found no irregularities. Therefore, in accordance with Article 219 of the Company Act, we hereby submit this report for your review and approval.

Audit Committee

Independent Director: Su, Chin-Huo
Independent Director: Tien, Tien-Ming
Independent Director: Hsiao, Chin-Chuan

11, March, 2026

Attachment 3

INDEPENDENT AUDITORS' REPORT
(TRANSLATED FROM CHINESE)

PWCR25004817

To the Board of Directors and Shareholders of
Hotai Motor Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Hotai Motor Co., Ltd. and subsidiaries (the "Group") as at December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to the *Other matter* section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 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, Regulations Governing the Preparation of Financial Reports by Insurance Enterprises, and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditor's 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. Based on our audits and the audit reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2025 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2025 consolidated financial statements are stated as follows:

Evaluation of provision for impairment of accounts receivable in Hotai Finance Co., Ltd., the subsidiary

Description

Refer to Note 4(11) for accounting policies on allowance for uncollectible accounts receivable, Note 5(2)C for the critical accounting estimates and assumptions on the policies of allowance for uncollectible accounts receivable and Note 6(5) for the details of accounts receivable.

Hotai Finance Co., Ltd. ("Hotai Finance"), a subsidiary of Hotai Motor Co., Ltd., is primarily engaged in the installment sales and leases of vehicles. In the supply chain of motor vehicles, the role of Hotai Finance is to provide customers with flexible financing options and to streamline the vehicle delivery process. Therefore, Hotai Finance is responsible for the collections of accounts receivable and manages overdue accounts.

When accounts receivable are past due over 31 days, Hotai Finance already considers the collectability of those accounts in doubt. In addition to enhancing the collection process from customers, management also assesses the probability of overdue accounts becoming impaired over the past years. Impairment is for those doubtful accounts receivable depending on the length of overdue days and considering forward-looking factors such as the future economic conditions. Management evaluates the individual circumstances of each overdue amount to decide whether to measure the loss allowance.

The assessment mentioned above involves management's judgment and factors that may be affected by the past events, current condition, and the future economic conditions. The results will directly influence the amounts recognized. Therefore, the estimation of the loss allowance is identified as a key audit matter.

How our audit addressed the matter

Our key audit procedures performed in respect of the above matter are summarized as follows:

1.Understood the policy of provision for impairment of accounts receivable (including relevance to macroeconomic indicators of forward-looking information) and the logic of the aging report.
2.For those accounts past due over 31 days, Hotai Finance will estimate and recognize the impairment of account receivable based on the probability of overdue accounts becoming impaired over the past years and based on Hotai Finance's policy. In order to evaluate the reasonableness of the provision for impairment policy, we understood and assessed the occurrence percentage of actual impairment losses compared to the overdue accounts receivable over the past years, and other forward-looking information. In addition, we sampled and examined the expected credit losses report, and checked system information to ensure the consistency.
3.Sampled and examined the supporting documents of individual evaluation made by the management to evaluate the reasonableness of the expected credit loss recognized.

Claims reserve and ceded claims reserve of the subsidiary, Hotai Insurance Co., Ltd.

Description

Refer to Note 4(37) for accounting policies on claims reserve (including ceded), Note 5(2)D for the critical accounting estimates and assumptions on the policies of claims reserve (including ceded) and Note 6(9) for the details of accounting policies applied on claims reserve and ceded claims reserve.

The claims reserve (including ceded claims) of Hotai Insurance Co., Ltd. ("Hotai Insurance"), the subsidiary of Hotai Motor Co., Ltd., is derived from the reasonable amount of ultimate claims prior and after reinsurance based on the actuarial department's historical claims development trend and experience.

Since the calculation method and assumptions selection of claims reserve (including those ceded) involve subjective judgment and relatively high degree of uncertainty, and the estimation results have a material impact on the financial statements, we have thus included claims reserve and ceded claims reserve as a key audit matter in our audit.

How our audit addressed the matter

The procedures that we have conducted in response to specific aspects of the key audit matter mentioned above are summarized as follows:

1. Understood and assessed Hotai Insurance's policies, internal control, and operational procedures related to claims reserve (including those ceded). Sampled and inspected the effectiveness of controls related to claims reserve (including those ceded) calculation.
2. Sampled and examined the consistency of financial values used in calculating claims reserve with the recorded amounts in the books in order to confirm the accuracy and completeness.
3. Used the work of actuarial expert to assist us in assessing the reasonableness of the claims reserve (including those prior to and after reinsurance). This included the following procedures:
   (1) Examined the reasonableness of the assessment method for the reserves;
   (2) Examined the reasonableness of the assumptions used by Hotai Insurance;
   (3) Recalculated unreported and unsettled claims reserve using assumptions adopted by Hotai Insurance Co., Ltd. in order to confirm the accuracy and the reasonableness of the allowances.
4. Examined those significant incurred but not paid cases on a sample basis and assessed the reasonableness of the estimated claim amount.

Other matter – Reference to the reports of other auditors

We did not audit the financial statements of certain subsidiary and investments accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed herein, in so far as it relates to the amounts included in respect of these investees, is based solely on the reports of the other auditors. The assets of these companies amounted to NT$10,412,098 thousand and NT$9,208,468 thousand, constituting 2.00% and 1.80% of the consolidated total assets as at December 31, 2025 and 2024, respectively, the revenue of this subsidiary amounted to NT$108,895 thousand and NT$99,324 thousand, constituting 0.039% and 0.035% of the consolidated total revenue for the years then ended, respectively and the comprehensive income recognized from associates and joint ventures accounted for under the equity method amounted to NT$482,429 thousand and NT$521,427 thousand, constituting 2.14% and 1.94% of the consolidated total comprehensive income for the years then ended, respectively.

Other matter – Parent company only financial statements

We have audited and expressed an unmodified opinion with an *Other matter* section on the parent company only financial statements of the Group as at and for the years ended December 31, 2025 and 2024.

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 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 of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Hsiao, Chun-Yuan Hsu, Sheng-Chung

For and on behalf of PricewaterhouseCoopers, Taiwan

March 11, 2026

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

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

HOTAI MOTOR CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 23,971,458	5	$ 18,968,725	3
1120	Financial assets at fair value through profit or loss-current	6(2)	7,791,043	1	7,754,355	2
1145	Financial assets at amortized cost -current		387,446	-	-	-
1150	Derivative financial assets for hedging	6(4)	146,193	-	260,887	-
1190	Other financial assets-current	6(1) and 8	5,297,943	1	4,159,048	1
1195	Contract assets-current	6(28)	183,054	-	67,725	-
1201	Notes receivable	6(5), 7 and 8	20,414,962	4	17,125,715	3
1202	Accounts receivable	6(5), 7 and 8	279,728,165	54	283,638,544	55
1203	Other receivables	7	2,919,252	1	2,828,705	1
1270	Inventories	6(7)	17,238,736	3	19,891,943	4
1280	Prepayments	6(8)	7,098,668	1	8,412,375	2
1310	Reinsurance contract assets, net	6(9)	5,596,925	1	5,082,534	1
	Total current assets		370,773,845	71	368,190,556	72
	Non-current assets					
1410	Financial assets at fair value through profit or loss-non-current	6(2)	1,012,237	-	1,006,453	-
1415	Financial assets at fair value through other comprehensive income-non-current	6(3)	13,988,170	3	13,107,751	3
1435	Financial assets at amortized cost -non-current		400,547	-	-	-
1470	Investments accounted for using the equity method	6(10)	21,818,413	4	22,432,577	4
1480	Other financial assets-non-current	6(1) and 8	195,662	-	189,400	-
1500	Property, plant and equipment, net	6(11) and 8	75,553,798	15	72,195,375	14
1595	Right-of-use assets, net	6(12)	3,964,830	1	3,831,714	1
1600	Investment property, net	6(14)	1,926,890	-	1,966,246	-
1700	Intangible assets, net	6(15)	2,678,260	-	765,740	-
1800	Deferred income tax assets, net	6(33)	4,338,480	1	3,671,441	1
1900	Other assets	6(5)(9)(16)	24,373,823	5	23,202,319	5
	Total non-current assets		150,251,110	29	142,369,016	28
1XXX	**Total assets**		$ 521,024,955	100	$ 510,559,572	100

(Continued)

HOTAI MOTOR CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current liabilities					
2110	Short-term loans	6(17)	$ 109,321,048	21	$ 134,152,135	26
2120	Short-term notes and bills payable	6(18)	169,574,560	32	139,501,975	27
2140	Financial liabilities at fair value through profit or loss-current	6(2)	7,048	-	-	-
2150	Derivative financial liabilities for hedging	6(4)	687,433	-	855,551	-
2165	Contract liabilities-current	6(28)	1,531,162	-	1,363,237	-
2201	Notes payable		1,459,989	-	1,377,202	-
2202	Accounts payable	7	10,214,252	2	12,985,248	4
2203	Accrued expenses	6(21) and 7	8,273,520	2	7,812,895	2
2204	Other payables	7	2,638,846	1	2,541,234	1
2250	Commissions payable	7	125,934	-	287,549	-
2260	Due to reinsurance and ceding companies		870,370	-	1,566,549	-
2270	Claims payable		32,132	-	23,528	-
2310	Current income tax liabilities		4,098,819	1	2,322,803	-
2320	Advance receipts		299,282	-	255,186	-
2330	Long-term liabilities-current portion	6(19)(20)	22,682,626	4	33,029,050	7
2335	Current lease liabilities	7	526,984	-	614,143	-
2350	Other current liabilities	6(9)(23)(24)	23,549,580	5	22,382,808	4
	Total current liabilities		355,893,585	68	361,071,093	71
	Non-current liabilities					
2550	Long-term loans	6(20)	8,733,259	2	5,174,127	2
2600	Provisions	6(9)(23)	13,222,070	3	11,786,649	2
2620	Guarantee deposits received	6(24)	12,019,629	2	11,824,521	2
2625	Non-current lease liabilities	7	2,267,423	-	1,984,070	-
2630	Deferred income tax liabilities	6(33)	5,133,111	1	4,597,116	1
	Total non-current liabilities		41,375,492	8	35,366,483	7
2XXX	**Total liabilities**		397,269,077	76	396,437,576	78
	Equity attributable to shareholders of the parent					
	Share capital	6(25)				
3110	Common stock		5,571,028	1	5,571,028	1
	Capital surplus	6(26)				
3200	Capital surplus		2,919,185	1	2,871,305	1
	Retained earnings	6(27)				
3310	Legal reserve		19,892,318	4	17,836,393	3
3320	Special reserve		381,843	-	381,843	-
3330	Unappropriated earnings		50,684,894	10	44,928,842	9
	Other equity					
3400	Other equity interest		6,708,911	1	6,694,406	1
31XX	**Total equity attributable to shareholders of the parent**		86,158,179	17	78,283,817	15
32XX	**Non-controlling interest**		37,597,699	7	35,838,179	7
3XXX	**Total equity**		123,755,878	24	114,121,996	22
	Significant contingent liabilities and unrecognized contract commitments	9				
	Significant events after balance sheet date	11				
	Total liabilities and equity		$ 521,024,955	100	$ 510,559,572	100

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

HOTAI MOTOR CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

			Year ended December 31			
			2025		2024	
	Items	Notes	AMOUNT	%	AMOUNT	%
	Revenues					
4010	Interest income	6(3)(29)	$ 21,205,352	8	$ 23,218,605	8
4020	Premiums revenue	6(30)	10,082,170	4	8,555,841	3
4040	Reinsurance commission revenue		948,138	-	959,120	-
4050	Fee income		10,416	-	10,329	-
4060	Share of profit of associates and joint ventures accounted for using the equity method	6(10)	2,537,173	1	2,959,587	1
4090	Gains on financial assets and liabilities at fair value through profit or loss	6(2)	677,832	-	1,395,672	-
4105	Realized gains on financial assets at fair value through other comprehensive income		576,832	-	500,956	-
4160	Net sales revenue	6(28)				
4161	Sales revenue		223,296,416	79	223,340,594	79
4162	Sales returns		(702,788)	-	(998,011)	-
4163	Sales discounts and allowances		(2,674,259)	(1)	(3,329,798)	(1)
4170	Rental revenue		20,670,188	7	19,854,312	8
4180	Service revenue	6(28) and 7	2,882,565	1	3,072,845	1
4200	Gains on disposal of investment	6(2)	18,527	-	-	-
4210	Gains on disposals of property, plant and equipment		60,197	-	709,257	-
4230	Income from investment property	6(14)	183,167	-	400,024	-
4260	Foreign exchange gains		694,514	-	246,621	-
4270	Other income		1,931,501	1	1,918,326	1
4256	Reversal gains on expected credit of investment		110	-	124	-
4245	Gains (losses) on reclassification under the overlay approach	6(2)	190,977	-	(228,391)	-
4280	Unrealized profits from sales		(62,214)	-	(82,160)	-
4290	Realized profits from sales		82,160	-	69,323	-
	Total revenues		282,608,974	100	282,573,176	100
	Expenses					
5010	Interest expenses		(7,279,139)	(3)	(7,165,517)	(3)
5030	Underwriting expenses		104	-	(1,397)	-
5040	Commission expenses	7	(3,514,059)	(1)	(4,474,127)	(2)
5050	Claims payment		(4,745,417)	(2)	(4,294,950)	(2)
5070	Net changes in other insurance liabilities	6(9)	(668,509)	-	485,833	-
5190	Cost of sales	6(7) and 7	(194,631,197)	(69)	(195,195,824)	(68)
5200	Cost of rental revenue		(16,462,045)	(6)	(15,663,589)	(6)
5210	Cost of services		(2,913,442)	(1)	(2,832,819)	(1)
5230	Operating expenses	6(31)(32) and 7				
5231	Selling expenses		(10,749,621)	(4)	(11,182,455)	(4)
5232	General and administrative expenses		(8,371,568)	(3)	(8,214,265)	(2)
5233	Research and development expenses		(371,356)	-	(260,692)	-
5287	Expected credit impairment losses of non-investment	12(2)	(4,847,262)	(1)	(5,566,856)	(2)
5270	Expenses and losses from investment property	6(14)	(42,502)	-	(36,226)	-
5320	Other expenses		(591,665)	-	(288,659)	-
	Total expenses		(255,187,678)	(90)	(254,691,543)	(90)
6100	**Income before income tax from continuing operations**		27,421,296	10	27,881,633	10
6200	Income tax expense	6(33)	(4,952,129)	(2)	(3,931,145)	(1)
6500	**Profit for the year**		$ 22,469,167	8	$ 23,950,488	9

HOTAI MOTOR CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

			Year ended December 31			
			2025		2024	
	Items	Notes	AMOUNT	%	AMOUNT	%
	Other comprehensive income (loss) for the year					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
6617	Gain from investments in equity instruments measured at fair value through other comprehensive income	6(3)	$ 165,770	-	$ 1,857,116	1
6625	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method-components of other comprehensive income that will not be reclassified to profit or loss		72,567	-	136,536	-
6610	Total components of other comprehensive income that may not be reclassified to profit or loss		238,337	-	1,993,652	1
6650	**Components of other comprehensive (loss) income that may be reclassified to profit or loss**					
6651	Financial statement translation differences of foreign operations		2,469	-	745,129	-
6659	Unrealized gains (loss) from investments in debt instruments measured at fair value through other comprehensive income	6(3)	15,167	-	(12,129)	-
6661	Gain (loss) on hedging instrument	6(4)	77,468	-	(95,510)	-
6675	Other comprehensive income (loss) reclassified by using overlay approach	6(2)	(190,977)	-	228,391	-
6665	Share of other comprehensive (loss) income of associates and joint ventures accounted for using the equity method components of other comprehensive income that may be reclassified to profit or loss		(29,111)	-	44,115	-
6689	Income tax related to components of other comprehensive (loss) income that may be reclassified to profit or loss	6(33)	(12,291)	-	11,303	-
	Total components of other comprehensive (loss) income that will be reclassified to profit or loss		(137,275)	-	921,299	-
6600	**Other comprehensive income for the year-net**		$ 101,062	-	$ 2,914,951	1
6700	**Total comprehensive income for the year**		$ 22,570,229	8	$ 26,865,439	10
	Profit attributable to:					
6810	Owners of parent		$ 18,900,453	7	$ 20,467,026	8
6820	Non-controlling interests		3,568,714	1	3,483,462	1
			$ 22,469,167	8	$ 23,950,488	9
	Comprehensive income attributable to:					
6910	Owners of parent		$ 18,968,537	7	$ 23,225,455	9
6920	Non-controlling interests		3,601,692	1	3,639,984	1
			$ 22,570,229	8	$ 26,865,439	10
	Basic earnings per share	6(34)	$	33.93	$	36.74
	Diluted earnings per share	6(34)	$	33.90	$	36.71

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

HOTAI MOTOR CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent											
				Retained earnings			Other equity interest						
	Notes	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Financial statement translation differences of foreign operations	Unrealized gains on financial assets at fair value through other comprehensive income	Other comprehensive income (loss) reclassified by using overlay approach	Gain (loss) on hedging instruments	Total	Non-controlling interests	Total equity
For the year ended December 31, 2024													
Balance at January 1, 2024		$ 5,571,028	$ 2,897,372	$ 15,553,282	$ 381,843	$ 37,794,757	($ 673,527)	$ 4,378,007	$ 333,556	($ 9,834)	$ 66,226,484	$ 34,211,863	$ 100,438,347
Profit for the year		-	-	-	-	20,467,026	-	-	-	-	20,467,026	3,483,462	23,950,488
Other comprehensive income (loss) for the year		-	-	-	-	92,225	590,185	1,889,657	234,283	(47,921)	2,758,429	156,522	2,914,951
Total comprehensive income (loss)		-	-	-	-	20,559,251	590,185	1,889,657	234,283	(47,921)	23,225,455	3,639,984	26,865,439
Appropriation and distribution of retained earnings:	6(27)												
Legal reserve		-	-	2,283,111	-	(2,283,111)	-	-	-	-	-	-	-
Cash dividends		-	-	-	-	(11,142,055)	-	-	-	-	(11,142,055)	(2,109,834)	(13,251,889)
Changes in equity of associates and joint ventures accounted for using equity method		-	202	-	-	-	-	-	-	-	202	-	202
Changes in ownership interests in subsidiaries		-	297	-	-	-	-	-	-	-	297	-	297
Reorganization	6(35)	-	(26,566)	-	-	-	-	-	-	-	(26,566)	26,566	-
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	-	69,600	69,600
Balance at December 31, 2024		$ 5,571,028	$ 2,871,305	$ 17,836,393	$ 381,843	$ 44,928,842	($ 83,342)	$ 6,267,664	$ 567,839	($ 57,755)	$ 78,283,817	$ 35,838,179	$ 114,121,996
For the year ended December 31, 2025													
Balance at January 1, 2025		$ 5,571,028	$ 2,871,305	$ 17,836,393	$ 381,843	$ 44,928,842	($ 83,342)	$ 6,267,664	$ 567,839	($ 57,755)	$ 78,283,817	$ 35,838,179	$ 114,121,996
Profit for the year		-	-	-	-	18,900,453	-	-	-	-	18,900,453	3,568,714	22,469,167
Other comprehensive income (loss) for the year		-	-	-	-	53,579	(24,565)	198,511	(190,015)	30,574	68,084	32,978	101,062
Total comprehensive income (loss)		-	-	-	-	18,954,032	(24,565)	198,511	(190,015)	30,574	18,968,537	3,601,692	22,570,229
Appropriation and distribution of retained earnings:	6(27)												
Legal reserve		-	-	2,055,925	-	(2,055,925)	-	-	-	-	-	-	-
Cash dividends		-	-	-	-	(11,142,055)	-	-	-	-	(11,142,055)	(2,614,576)	(13,756,631)
Difference between consideration and carrying amount of subsidiaries disposed		-	47,833	-	-	-	-	-	-	-	47,833	30,559	78,392
Changes in ownership interests in subsidiaries		-	47	-	-	-	-	-	-	-	47	58	105
Changes in non-controlling interests	6(35)	-	-	-	-	-	-	-	-	-	-	741,787	741,787
Balance at December 31, 2025		$ 5,571,028	$ 2,919,185	$ 19,892,318	$ 381,843	$ 50,684,894	($ 107,907)	$ 6,466,175	$ 377,824	($ 27,181)	$ 86,158,179	$ 37,597,699	$ 123,755,878

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

HOTAI MOTOR CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2025	2024
Cash flows from operating activities			
Profit before tax		$ 27,421,296	$ 27,881,633
Adjustments to reconcile profit (loss) before tax to net cash provided by operating activities			
Income and expense having no effect on cash flows			
Depreciation	6(11)(12)(14)(31)	14,559,109	13,808,858
Amortization	6(31)	187,684	158,800
Net gain on financial assets and liabilities at fair value through profit or loss	6(2)	(677,832)	(1,395,672)
Expected credit impairment loss and financial guarantee expense		32,849	27,759
Reversal gains on expected credit of investment		(110)	(124)
Expected credit impairment loss on non-investment		4,847,262	5,566,856
Profit or loss reclassified by applying overlay approach	6(2)	(190,977)	228,391
Impairment loss of rental assets	6(11)	22,848	80,707
Interest expense		7,279,139	7,165,517
Interest income	6(29)	(21,205,352)	(23,218,605)
Dividend income		(576,832)	(500,956)
Share of profit of associates accounted for using the equity method	6(10)	(2,537,173)	(2,959,587)
Net gain on disposal of property, plant and equipment		(60,197)	(709,257)
Net gain on disposal of investment property		-	(255,515)
Gain on disposal of investments	7	(18,527)	-
Unrealized profit from sales		62,214	82,160
Realized profit from sales		(82,160)	(69,323)
(Profit) loss on lease modification	6(12)	(267)	56
Exchange gain or loss		79,770	91,249
Changes in assets and liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets at fair value through profit or loss		635,360	(28,740)
Contract assets		(115,329)	38,930
Notes and accounts receivable		(3,776,663)	(22,750,885)
Other receivables		(34,392)	(256,329)
Inventories		10,085,931	4,001,113
Prepayments		977,331	474,701
Reinsurance contract assets		(566,577)	(1,241,697)
Net changes in liabilities relating to operating activities			
Financial liabilities at fair value through profit or loss		7,048	(407,727)
Contract liabilities		167,925	(86,339)
Notes and accounts payable		(2,750,322)	(800,059)
Accrued expenses		463,878	145,776
Other payables		84,273	279,792
Commission payable		(161,615)	26,623
Provisions		1,435,421	1,599,505
Due to reinsurance and ceding companies		(696,179)	(1,197)
Claims payable		8,604	(9,824)
Advance receipts		44,096	56,908
Other current liabilities		861,777	760,234
Other liabilities		-	(1,221)
Cash inflow generated from operations		35,813,311	7,782,511
Interest received		21,151,017	23,201,011
Cash dividends received		3,101,814	3,376,381
Interest paid		(7,267,449)	(7,078,627)
Income tax paid		(3,556,755)	(2,806,430)
Net cash flows from operating activities		49,241,938	24,474,846

(Continued)

HOTAI MOTOR CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2025	2024
Cash flows from investing activities			
Increase in financial assets at fair value through other comprehensive income		($ 555,634)	($ 411,660)
Acquisition of financial assets at amortized cost		(850,000)	-
Proceeds from disposal of financial assets at amortized cost		55,030	-
Acquisition of investments accounted for using the equity method		(14,000)	(638,389)
Net cash flow from acquisition of subsidiaries		(501,122)	(216,578)
Acquisition of property, plant and equipment	6(11)	(24,920,014)	(25,882,165)
Proceeds from disposal of property, plant and equipment		311,443	613,451
Proceeds from disposal of assets held for sale		-	685,000
Acquisition of investment properties	6(14)	-	(1,352)
Proceeds from the disposal of investment property		-	372,883
Acquisition of intangible assets	6(15)	(390,712)	(90,676)
Proceeds from disposal of intangible assets		4,196	881
Increase in other financial assets		(1,119,903)	(1,031,046)
Decrease in other assets		75,291	3,137,468
Net cash flows used in investing activities		(27,905,425)	(23,462,183)
Cash flows from financing activities			
(Decrease) increase in short-term loans	6(36)	(25,776,499)	32,638,908
Increase (decrease) in short-term notes and bills payable	6(36)	30,072,585	(8,614,114)
Proceeds from issuance of bonds	6(36)	8,600,000	-
Repayments of bonds	6(35)	(22,000,000)	-
Proceeds from long-term loans	6(36)	8,803,673	1,455,517
Repayments of long-term loans	6(36)	(2,190,965)	(19,367,410
Increase in guarantee deposits received	6(36)	500,103	1,750,684
Cash dividends paid	6(27)(36)	(11,142,055)	(11,142,055)
Repayment of principal portion of lease liability	6(36)	(574,683)	(540,978
Cash dividends paid from subsidiaries to non-controlling interests		(2,614,576)	(2,109,834)
Proceeds from disposal of ownership interests in subsidiaries (without losing control)		79,521	-
Change in non-controlling interests		(99,979)	69,600
Net cash flows used in financing activities		(16,342,875)	(5,859,682)
Net effect of changes in foreign currency exchange rates		9,095	672,851
Net increase (decrease) in cash and cash equivalents		5,002,733	(4,174,168)
Cash and cash equivalents at beginning of year		18,968,725	23,142,893
Cash and cash equivalents at end of year		$ 23,971,458	$ 18,968,725

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

INDEPENDENT AUDITORS' REPORT
(TRANSLATED FROM CHINESE)

PWCR25004484

To the Board of Directors and Shareholders of

Hotai Motor Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Hotai Motor Co., Ltd. (the "Company") as at December 31, 2025 and 2024, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to *Other matter* section), the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2025 and 2024, and its parent company only financial performance and its cash flows for the years then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

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

Key audit matters

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

The key audit matters of the parent company only financial statements are stated as follows:

Evaluation of provision for impairment of accounts receivable of Hotai Finance Co., Ltd., an investment accounted for using equity method

Description

Hotai Finance Co., Ltd. ("Hotai Finance") is an investment by Hotai Motor Co., Ltd. accounted for using equity method. Its primary business is providing installment sales and leasing of vehicles. In the supply chain of motor vehicles, the role of Hotai Finance is to provide customers with flexible financing options and to streamline the vehicle delivery process. Therefore, Hotai Finance is responsible for the collections of accounts receivable and manages overdue accounts.

When accounts receivable are past due over 31 days, Hotai Finance already considers the collectability of those accounts in doubt. In addition to enhancing the collection process from customers, management also assesses the probability of overdue accounts becoming impaired over the past years. Impairment is for those doubtful accounts receivable depending on the length of overdue days and considering forward-looking factors such as the future economic conditions. Management evaluates the individual circumstances of each overdue amount to decide whether to measure the loss allowance.

The assessment mentioned above involves management's judgement and factors that may be affected by the past events, current condition, and the future economic conditions. The results will directly influence the amounts recognized. Therefore, the estimation of the loss allowance is identified as a key audit matter.

How our audit addressed the matter

Our key audit procedures performed in respect of the above matter are summarized as follows:

1. Understood the policy of provision for impairment of accounts receivable (including relevance to macroeconomic indicators of forward-looking information) and the logic of the aging report.

2. For those accounts past due over 31 days, Hotai Finance will estimate and recognize the impairment of account receivable based on the probability of overdue accounts becoming impaired over the past years and based on Hotai Finance's policy. In order to evaluate the reasonableness of the provision for impairment policy, we understood and assessed the occurrence percentage of actual impairment losses compared to the overdue accounts receivable over the past years, and other forward-looking information. In addition, we sampled and examined the expected credit losses report, and checked system information to ensure the consistency.

3. Sampled and examined the supporting documents of individual evaluation made by the management to evaluate the reasonableness of the expected credit loss recognized.

Claims reserve and ceded claims reserve of Hotai Insurance Co., Ltd., an investment accounted for using equity method

Description

The claims reserve (including ceded claims) of Hotai Insurance Co., Ltd. ("Hotai Insurance"), an investment by Hotai Motor Co., Ltd. accounted for using equity method, is the reasonable amount of ultimate claims prior and after reinsurance based on the actuarial department's historical claims development trend and experience.

Since the calculation method and assumptions selection of claims reserve (including those ceded claims) involve subjective judgment and relatively high degree of uncertainty, and the estimation results have a material impact on the financial statements, we have thus included claims reserve and ceded claims reserve as a key audit matter in our audit.

How our audit addressed the matter

The procedures that we have conducted in response to specific aspects of the key audit matter mentioned above are summarized as follows:

1. Understood and assessed Hotai Insurance's policies, internal control, and operational procedures related to claims reserve (including those ceded). Sampled and inspected the effectiveness of controls related to claims reserve (including those ceded) calculation.
2. Sampled and examined the consistency of financial values used in calculating claims reserve (including those prior to and after reinsurance) with the recorded amounts in the books in order to confirm the accuracy and completeness.
3. Used the work of actuarial expert to assist us in assessing the reasonableness of the claims reserve (including those prior to and after reinsurance). This included the following procedures:
   (1) Examined the reasonableness of the assessment method for the reserves;
   (2) Examined the reasonableness of the assumptions used by Hotai Insurance;
   (3) Recalculated unreported and unsettled claims reserve using assumptions adopted by Hotai Insurance Co., Ltd. in order to confirm the accuracy and the reasonableness of the allowances.
4. Examined those significant incurred but not paid cases on a sample basis and assessed the reasonableness of the estimated claims amount.

Other matter – Reference to the reports of other auditors

We did not audit the financial statements of certain investments accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these investees, is based solely on the reports of the other auditors. The balance of these investments accounted for under the equity method amounted to NT$9,697,252 thousand and NT$8,888,005 thousand, constituting 8.80% and 8.73% of the total assets as at December 31, 2025 and 2024, respectively, and the comprehensive income amounted to

NT$490,310 thousand and NT$526,408 thousand, constituting 2.58% and 2.27% of the total comprehensive income for the years then ended, respectively.

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

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

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

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

Auditors' responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the 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 financial reporting users taken on the basis of the parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the 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 controls.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period and are therefore, considered to be 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.

Hsiao, Chun-Yuan Hsu, Sheng-Chung

For and on behalf of PricewaterhouseCoopers, Taiwan

March 11, 2026

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

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

HOTAI MOTOR CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 4,133,963	4	$ 608,902	1
1110	Financial assets at fair value through profit or loss - current	6(2)	1,840,677	2	1,562,882	1
1150	Notes receivable, net	6(4)	1,961	-	-	-
1170	Accounts receivable, net	6(4)	83,063	-	15,961	-
1180	Accounts receivable - related parties, net	6(4) and 7	898,451	1	1,178,876	1
1200	Other receivables	7	1,350,421	1	991,569	1
130X	Inventories, net	6(5)	9,617,702	9	9,069,108	9
1410	Prepayments		417,797	-	580,386	1
11XX	**Total current assets**		18,344,035	17	14,007,684	14
	Non-current assets					
1510	Financial assets at fair value through profit or loss-non-current	6(2)	500,000	-	500,000	-
1517	Financial assets at fair value through other comprehensive income-non-current	6(3)	12,694,369	12	12,532,056	12
1550	Investments accounted for using equity method	6(6)	69,750,825	63	66,694,942	66
1600	Property, plant and equipment	6(7)	4,333,053	4	4,001,603	4
1755	Right-of-use assets, net	6(8)	6,964	-	12,549	-
1760	Investment property, net	6(10)	2,610,773	2	2,473,201	2
1780	Intangible assets		229,322	-	70,619	-
1840	Deferred income tax assets	6(25)	1,189,725	1	1,081,278	1
1900	Other non-current assets		532,860	1	541,052	1
15XX	**Total non-current assets**		91,847,891	83	87,907,300	86
1XXX	**Total assets**		$ 110,191,926	100	$ 101,914,984	100

(Continued)

HOTAI MOTOR CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current liabilities					
2100	Short-term loans	6(11)	$ 2,600,000	3	$ 2,593,680	3
2120	Financial liabilities at fair value through profit or loss - current	6(2)	7,048	-	-	-
2170	Accounts payable	6(12)	2,467,118	2	3,571,074	4
2180	Accounts payable - related parties	6(12) and 7	4,900,314	4	6,236,940	5
2200	Other payables	6(13) and 7	3,565,402	3	3,068,585	3
2230	Current income tax liabilities		2,523,430	2	1,153,214	1
2250	Provisions for liabilities - current	6(15)	766,554	1	713,194	1
2280	Current lease liabilities		5,658	-	5,546	-
2300	Other current liabilities		31,089	-	41,879	-
21XX	**Total current liabilities**		16,866,613	15	17,384,112	17
	Non-current liabilities					
2550	Provisions for liabilities - non-current	6(15)	5,508,121	5	4,531,288	4
2570	Deferred income tax liabilities	6(25)	1,656,698	2	1,707,785	2
2580	Non-current lease liabilities		1,433	-	7,100	-
2600	Other non-current liabilities		882	-	882	-
25XX	**Total non-current liabilities**		7,167,134	7	6,247,055	6
2XXX	**Total liabilities**		24,033,747	22	23,631,167	23
	Equity					
	Share capital	6(16)				
3110	Common stock		5,571,028	5	5,571,028	5
	Capital surplus	6(17)				
3200	Capital surplus		2,919,185	3	2,871,305	3
	Retained earnings	6(18)				
3310	Legal reserve		19,892,318	18	17,836,393	18
3320	Special reserve		381,843	-	381,843	-
3350	Unappropriated earnings		50,684,894	46	44,928,842	44
	Other equity					
3400	Other equity		6,708,911	6	6,694,406	7
3XXX	**Total equity**		86,158,179	78	78,283,817	77
	Significant contingent liabilities and unrecognized contract commitments	9				
	Significant events after balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 110,191,926	100	$ 101,914,984	100

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

HOTAI MOTOR CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

			Year ended December 31			
			2025		2024	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(19) and 7	$ 160,379,156	100	$ 160,057,276	100
5000	Operating costs	6(5) and 7	(145,249,736)	(90)	(144,797,104)	(91)
5900	Gross profit before realized (unrealized) profit from sales to subsidiaries and associates		15,129,420	10	15,260,172	9
5910	Unrealized profit from sales		(184,272)	-	(640,585)	-
5920	Realized profit from sales		640,585	-	434,201	-
5950	Gross profit		15,585,733	10	15,053,788	9
	Operating expenses	6(23)(24) and 7				
6100	Selling expenses		(2,828,002)	(2)	(2,776,306)	(2)
6200	General and administrative expenses		(1,997,468)	(1)	(1,920,931)	(1)
6000	Total operating expenses		(4,825,470)	(3)	(4,697,237)	(3)
6900	Operating profit		10,760,263	7	10,356,551	6
	Non-operating income and expenses					
7100	Interest income	6(20) and 7	127,554	-	120,879	-
7010	Other income	6(21) and 7	1,665,126	1	1,453,500	1
7020	Other gains and losses	6(22)	607,305	-	1,017,935	1
7050	Finance costs		(120,107)	-	(267,163)	-
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(6)	8,728,614	6	8,942,104	6
7000	Total non-operating income and expenses		11,008,492	7	11,267,255	8
7900	**Profit before income tax**		21,768,755	14	21,623,806	14
7950	Income tax expense	6(25)	(2,868,302)	(2)	(1,156,780)	(1)
8200	**Profit for the year**		$ 18,900,453	12	$ 20,467,026	13
	Other comprehensive income (loss) for the year, net of tax					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8316	Unrealized gain from investments in equity instruments measured at fair value through other comprehensive income	6(3)	$ 162,313	-	$ 1,853,860	1
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method		74,612	-	146,415	-
8310	Total components of other comprehensive income that will not be reclassified to profit or loss		236,925	-	2,000,275	1
	Components of other comprehensive income that may be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		1,754	-	411,732	1
8380	Share of other comprehensive (loss) income of subsidiaries, associates and joint ventures accounted for using equity method		(170,595)	-	346,422	-
8360	Total components of other comprehensive (loss) income that will be reclassified to profit or loss		(168,841)	-	758,154	1
8300	**Other comprehensive income for the year, net of tax**		$ 68,084	-	$ 2,758,429	2
8500	**Total comprehensive income for the year**		$ 18,968,537	12	$ 23,225,455	15
	Basic earnings per share	6(26)				
9750	Total basic earnings per share		$	33.93	$	36.74
	Diluted earnings per share	6(26)				
9850	Total diluted earnings per share		$	33.90	$	36.71

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

HOTAI MOTOR CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Share capital - common stock	Capital surplus	Retained earnings			Other equity interest			Total equity
				Legal reserve	Special reserve	Unappropriated earnings	Financial statements translation differences of foreign operations	Unrealised gains on financial assets at fair value through other comprehensive income	Gains (losses) on hedging instruments	
For the year ended December 31, 2024										
Balance at January 1, 2024		$ 5,571,028	$ 2,897,372	$ 15,553,282	$ 381,843	$ 37,794,757	($ 673,527)	$ 4,711,563	($ 9,834)	$ 66,226,484
Profit of the year		-	-	-	-	20,467,026	-	-	-	20,467,026
Other comprehensive income (loss) for the year		-	-	-	-	92,225	590,185	2,123,940	(47,921)	2,758,429
Total comprehensive income (loss)		-	-	-	-	20,559,251	590,185	2,123,940	(47,921)	23,225,455
Appropriation and distribution of retained earnings:	6(18)									
Legal reserve		-	-	2,283,111	-	(2,283,111)	-	-	-	-
Cash dividends		-	-	-	-	(11,142,055)	-	-	-	(11,142,055)
Reorganization	6(6)	-	(26,566)	-	-	-	-	-	-	(26,566)
Changes in equity of associates and joint ventures accounted for using equity method		-	499	-	-	-	-	-	-	499
Balance at December 31, 2024		$ 5,571,028	$ 2,871,305	$ 17,836,393	$ 381,843	$ 44,928,842	($ 83,342)	$ 6,835,503	($ 57,755)	$ 78,283,817
For the year ended December 31, 2025										
Balance at January 1, 2025		$ 5,571,028	$ 2,871,305	$ 17,836,393	$ 381,843	$ 44,928,842	($ 83,342)	$ 6,835,503	($ 57,755)	$ 78,283,817
Profit of the year		-	-	-	-	18,900,453	-	-	-	18,900,453
Other comprehensive income (loss) for the year		-	-	-	-	53,579	(24,565)	8,496	30,574	68,084
Total comprehensive income (loss)		-	-	-	-	18,954,032	(24,565)	8,496	30,574	18,968,537
Appropriation and distribution of retained earnings:	6(18)									
Legal reserve		-	-	2,055,925	-	(2,055,925)	-	-	-	-
Cash dividends		-	-	-	-	(11,142,055)	-	-	-	(11,142,055)
Difference between consideration and carrying amount of subsidiaries disposed	6(6)	-	47,833	-	-	-	-	-	-	47,833
Changes in ownership interests in subsidiaries		-	47	-	-	-	-	-	-	47
Balance at December 31, 2025		$ 5,571,028	$ 2,919,185	$ 19,892,318	$ 381,843	$ 50,684,894	($ 107,907)	$ 6,843,999	($ 27,181)	$ 86,158,179

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

HOTAI MOTOR CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2025	2024
Cash flows from operating activities			
Profit before income tax		$ 21,768,755	$ 21,623,806
Adjustments to reconcile profit (loss) before tax to net cash provided by operating activities			
Income and expense having no effect on cash flows			
Depreciation	6(23)	103,544	105,674
Amortization	6(23)	10,206	4,413
Net loss (gain) on financial assets at fair value through profit or loss	6(22)	23,381	(842,974)
Interest expense		120,107	267,163
Interest income	6(20)	(127,554)	(120,879)
Dividend income		(421,344)	(376,343)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(6)	(8,728,614)	(8,942,104)
Net gain on disposal of property, plant and equipment	6(22)	(1,170)	(219)
Loss on abandonment of property, plant and equipment	6(22)	-	2
Unrealized profit from sales		184,272	640,585
Realized profit from sales		(640,585)	(434,201)
Changes in assets and liabilities relating to operating activities			
Net changes in assets relating operating activities			
Financial instruments at fair value through profit or loss		(294,128)	(237,793)
Notes receivable		(1,961)	2,518
Accounts receivable		213,323	2,206,485
Other receivables		(357,894)	(110,694)
Inventories, net		(548,594)	(2,194,589)
Prepayments		162,597	(193,852)
Net changes in liabilities relating operating activities			
Notes and accounts payable		(2,440,582)	(589,822)
Other payables		500,125	(59,627)
Other current liabilities		(10,790)	4,153
Other non-current liabilities		1,030,193	949,802
Cash inflow generated from operations		10,543,287	11,701,504
Interest received		126,596	120,879
Cash dividends received		6,504,039	7,071,956
Interest paid		(123,423)	(268,570)
Income tax paid		(1,657,621)	(571,530)
Net cash flows from operating activities		15,392,878	18,054,239
Cash flows from investing activities			
Increase in financial assets at fair value through other comprehensive income		-	(196,141)
Acquisition of investments accounted for using equity method	6(6)	-	(324,000)
Acquisition of property, plant and equipment	6(7)	(568,477)	(528,576)
Proceeds from disposal of property, plant and equipment	6(7)	2,652	3,569
Acquisition of intangible assets		(168,910)	(29,232)
Acquisition of investment property	6(10)	-	(980)
Decrease (increase) in other non-current assets		8,193	(36,753)
Net cash flows used in investing activities		(726,542)	(1,112,113)
Cash flows from financing activities			
Increase in short-term loans	6(27)	6,320	1,710,244
Repayments of long-term loans	6(27)	-	(15,000,000)
Repayments of principal portion of lease liability	6(27)	(5,540)	(5,538)
Cash dividends paid	6(18)(27)	(11,142,055)	(11,142,055)
Net cash flows used in financing activities		(11,141,275)	(24,437,349)
Net increase (decrease) in cash and cash equivalents		3,525,061	(7,495,223)
Cash and cash equivalents at beginning of year		608,902	8,104,125
Cash and cash equivalents at end of year		$ 4,133,963	$ 608,902

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

Hotai Motor Co., Ltd. Attachment 4
2025 Earnings Distribution Table

Item	Subtotal	Total
Unappropriated earnings from previous period		31,730,861,512
Earnings before income tax of current year	21,768,755,474	
Less: income tax	2,868,302,418	
Plus: Net income after tax of current year (EPS after income tax=33.93)		18,900,453,056
Plus: 2025 retained earnings adjustment		53,579,473
Net income after tax for the period and other items other than net income after tax for the period		18,954,032,529
Less: legal reserve (10%)		1,895,403,253
Unappropriated earnings at current period		17,058,629,276
Distributable Item		
Cash dividends (NT$20.0 per share)		11,142,055,360
Unappropriated earnings at the end of period		37,647,435,428

Chairman: Huang, Nan-Kuang Manager: Su, Chwen-Shing Chief Accountant: Chen, Ting-Ju

Attachment 5

Hotai Motor Co., Ltd.
Comparison of Current and Amended Procedures for Lending Funds to Others

Current Provisions	Before Amendment	New Provisions	After Amendment	Commentary
Article 3 . Lending subjects . The total amount for lending funds and individual limits . Penalties	Except in the following circumstances, the Company's funds shall not be lent to shareholders or any other person: 1. Companies or firms that have a business relationship with the Company. 2. Companies or firms with a necessity for short-term funds. The term "short-term" as referred to in the preceding paragraph means one year. However, if a company's business cycle is longer than one year, the business cycle shall prevail. ~~**For foreign companies in which the Company directly and indirectly holds 100% of the voting shares, the lending amount limit for individual entities shall not exceed 100% of the lending company's net worth, and the total amount limit shall not exceed 200% of the lending company's net worth. The financing period shall not exceed five years in principle, and the interest calculation method shall be determined by the resolution of the lending company's Board of Directors.**~~ **When the responsible person of the Company violates the provision of Paragraph 1, Article 3 of the "Regulations Governing the Handling of Funds and Endorsements/Guarantees of Public Companies," he/she shall be jointly and severally liable with the borrower for the repayment. If the Company suffers any damages, he/she shall also be liable for compensation.**	Article 3 . Lending subjects . Penalties	1. Except in the following circumstances, the Company's funds shall not be lent to shareholders or any other person: (1) Companies or firms that have a business relationship with the Company. (2) Companies or firms with a necessity for short-term funds. 2. The term "short-term" as referred to in the preceding paragraph means one year. However, if a company's business cycle is longer than one year, the business cycle shall prevail. 3. **The lending subjects mentioned in Subparagraph 2, Paragraph 1 are limited to the following circumstances:** **(1) Companies in which the Company holds more than fifty percent of shares and have a necessity for short-term funds due to business needs.** **(2) Companies or firms with a necessity for short-term funds due to material purchase or operational turnover needs.** **(3) Others who are lent funds with the approval of the Company's Board of Directors.**	1. The content of the provisions has been consolidated: the regulations regarding lending subjects in Current Provisions §4 have all been adjusted to New Provisions §3. 2. The content of the provisions has been consolidated: the regulations regarding the total amount for lending funds and individual limits in Current Provisions §3 have all been adjusted to New Provisions §4.

Current Provisions	Before Amendment	New Provisions	After Amendment	Commentary
			4. **When the responsible person of the Company violates the provision of Paragraph 1, Article 3, he/she shall be jointly and severally liable with the borrower for the repayment. If the Company suffers any damages, he/she shall also be liable for compensation.**	

Hotai Motor Co., Ltd.
Comparison of Current and Amended Procedures for Lending Funds to Others

Current Provisions	Before Amendment	New Provisions	After Amendment	Commentary
~~**Article 4**~~ The reason and necessity for lending funds to others (Actual content refers to lending subjects)	~~**When the Company lends funds to other companies or firms due to business relationships, it shall comply with the provisions of, Paragraph 2, Article 5;**~~ ~~**The lending subjects with a necessity for short-term funds are limited to the following circumstances:**~~ ~~1. **Companies in which the Company holds more than fifty percent of shares and have a necessity for short-term funds due to business needs.**~~ ~~2. **Companies or firms with a necessity for short-term funds due to material purchase or operational turnover needs.**~~ ~~3. **Others who are lent funds with the approval of the Company's Board of Directors.**~~	~~Article 4 The reason and necessity for lending funds to others~~ –	Deleted. Due to the deletion of the old Article 4, subsequent article numbers are adjusted accordingly.	1. The content of the provisions has been consolidated: the regulations regarding lending subjects in Current Provisions §4 have all been adjusted to New Provisions §3.
Article 5 The total amount for lending funds and individual limits for entities	1. The total amount of the Company's lending of funds to others shall not exceed 20% of the Company's net worth. 2. For companies or firms that have a business relationship with the Company, the individual lending amount shall not exceed the amount of business transactions between the two parties. The term "amount of business transactions" refers to the higher of the purchase or sales amount between the two parties. 3. For companies or firms with a necessity for short-term funds, the individual lending amount shall not exceed 10% of the Company's net worth.	Article 4 The total amount for lending funds and individual limits	1. **The total amount for lending funds:** **(1) For companies or firms that have a business relationship with the Company, the total amount of lending of funds shall not exceed 20% of the Company's net worth.** **(2) For companies or firms with a necessity for short-term funds, the total lending amount shall not exceed 20% of the Company's net worth.** 2. **The individual limits for lending funds to entities are as follows:**	1. Adjustment of Article Order 2. The content of the provisions has been consolidated: the total amount for lending funds and individual limits in Current Provisions §3 have been integrated into New Provisions §4. 3. Revised

Current Provisions	Before Amendment	New Provisions	After Amendment	Commentary
			(1) For companies or firms that have a business relationship with the Company, the individual lending amount shall not exceed the amount of business transactions between the two parties. The term "amount of business transactions" refers to the higher of the purchase or sales amount between the two parties and shall not exceed 10% of the Company's net worth. **(2)** For companies or firms with a necessity for short-term funds, the lending amount to individual entities shall not exceed 10% of the Company's net worth.	provisions: Establishing the total amount and limit separately according to the lending subjects.

Hotai Motor Co., Ltd.
Comparison of Current and Amended Procedures for Lending Funds to Others

Current Provisions	Before Amendment	New Provisions	After Amendment	Commentary
			3. **For foreign companies in which the Company directly and indirectly holds 100% of the voting shares, or when foreign companies in which the Company directly and indirectly holds 100% of the voting shares lend funds to the Company due to the necessity for financing, the following regulations should be followed:** **(1) The total amount for lending funds shall not exceed 200% of the lending company's net worth.** **(2) The lending amount limit for individual entities shall not exceed 100% of the lending company's net worth.** **(3) The financing period shall not exceed one year in principle, and the interest calculation method shall be determined by the resolution of the lending company's Board of Directors.**	

Current Provisions	Before Amendment	New Provisions	After Amendment	Commentary
Article 6 Procedures for Lending Funds	3. When the Company handles matters of lending funds, it should obtain a promissory note for the same amount as collateral, and if necessary, arrange for the mortgage of movable or immovable property. For the preceding debt guarantee, if the debtor provides a person or company with equivalent financial strength and creditworthiness as a guarantor in lieu of collateral, the Board of Directors may refer to the credit report from the designated unit for handling. If a company is the guarantor, attention must be paid to whether its Articles of Incorporation include provisions permitting it to act as a guarantor.	Article 5 Procedures for Lending Funds	3. When the Company handles matters of lending funds and it is assessed by the designated unit that collateral should be obtained, it should obtain a promissory note for the same amount as collateral, and if necessary, arrange for the mortgage of movable or immovable property. The Company must assess the value of the collateral to ensure the Company's claims. For the preceding debt guarantee, if the debtor provides a person or company with equivalent financial strength and creditworthiness as a guarantor in lieu of collateral, the Board of Directors may refer to the credit report from the designated unit for handling. If a company is the guarantor, attention must be paid to whether its Articles of Incorporation include provisions permitting it to act as a guarantor.	1. Adjustment of Article Order 2. If it is assessed that collateral should be obtained, its value should be evaluated.

Hotai Motor Co., Ltd.
Comparison of Current and Amended Procedures for Lending Funds to Others

Current Provisions	Before Amendment	New Provisions	After Amendment	Commentary
Article 7 Decision-making level	When the Company handles matters of lending funds, and after credit investigation and risk assessment by the Company's designated unit, it is determined that the borrower has a good credit rating, legitimate borrowing purposes, a clear necessity for the loan, and no issues with repayment ability, it should be submitted for resolution and approval by the Board of Directors and may not authorize others for making such decision. The opinions of each independent director shall be fully considered. Their explicit agreement or disagreement and the reasons for any objections shall be included in the minutes of the Board of Directors meetings. Lending of funds between the Company and its subsidiaries shall be submitted for a Board of Directors resolution as stipulated in the preceding paragraph. The Chairman may be authorized to release the loan in installments or use the funds on a revolving basis within the certain amount decided by the Board of Directors and within a period not exceeding one year for the same lending subjects. The aforementioned certain amount refers to the authorized lending limit of the Company to a single enterprise, which shall not exceed 10% of the Company's net worth as shown in the most recent financial statements. ~~**Lending of funds by the Company, which requires the approval of the Board of Directors**~~	Article 6 Decision-making level	1. Before the Company lends funds to others, a careful assessment should be conducted to determine whether the lending complies with the relevant guidelines and the provisions of the Operating Procedures. The assessment, along with the results stipulated in Paragraph 2, Article 5, shall be submitted to the Audit Committee and the Board of Directors for resolution and approval. The resolution process must comply with relevant securities regulations and may not authorize others for making such decision. The opinions of each independent director shall be fully considered, and their explicit agreement or disagreement, as well as the reasons for any objections, shall be included in the minutes of the board of directors meetings. 2. Lending of funds between the Company and its subsidiaries, or between subsidiaries, shall be submitted for a Board of Directors resolution as stipulated in the preceding paragraph. The Chairman may be authorized to release the loan in installments or use the funds on a revolving basis within the certain amount decided by the Board of Directors and within a period not exceeding one year for the same lending subjects. 3. The aforementioned certain amount in the preceding paragraph, except for those	1. Adjustment of Article Order 2. Revised provisions: The decision-making method aligns with the standard provisions.

Current Provisions	Before Amendment	New Provisions	After Amendment	Commentary
	~~**pursuant to the Procedures or other applicable laws or regulations, is considered a material lending transaction of funds. It shall be approved by a majority of all members of the Audit Committee and submitted to the Board of Directors for resolution. If the Company fails to obtain the approval of a majority of all members of the audit committee, it may be adopted by the approval of at least two-thirds of all members of the Board. The resolution of the audit committee shall be recorded in the meeting minutes of the Board. In this paragraph, the terms "all members of the audit committee" and "all members of the Board" refer to those who are actually in office.**~~		complying with, Paragraph 3, Article 4, refers to the authorized lending limit to a single enterprise, which shall not exceed 10% of the Company's net worth as shown in the most recent financial statements.	

Hotai Motor Co., Ltd.
Comparison of Current and Amended Procedures for Lending Funds to Others

Current Provisions	Before Amendment	New Provisions	After Amendment	Commentary
Article 8 Lending period and interest calculation method	1. The lending period for each fund shall not exceed one year in principle. However, for those under Subparagraph 1, Paragraph 1 of Article 3, in special circumstances, the lending period may be extended as needed after obtaining approval from the Board of Directors. 2. ~~**The lending interest rate shall not be lower than the "average base lending rate of the five major banks" as announced by the Central Bank in the most recent period.**~~ The interest on the Company's loans shall be calculated and collected on a monthly basis in principle. In special circumstances, adjustments may be made as needed after obtaining approval from the Board of Directors.	Article 7 Lending period and interest calculation method	1. The lending period: The lending period for each fund shall not exceed one year in principle. However, in special circumstances, the lending period may be extended as needed after obtaining approval from the Board of Directors. 2. Interest calculation method: **(1) The lending interest rate shall be set with reference to the Company's deposit and loan interest rates at financial institutions.** **(2) When the lending subjects are foreign companies, and the calculation method for the lending interest rate may refer to the deposit and loan interest rate levels of local financial institutions of the borrower.** (3) The interest on the Company's loans shall be calculated and collected on a monthly basis in principle. In special circumstances, adjustments may be made as needed after obtaining approval from the Board of Directors.	1. Adjustment of Article Order 2. Revised provisions: Establishing the domestic loan interest rate calculation method. 3. Add: Establishing the foreign company loan interest rate calculation method.

Current Provisions	Before Amendment	New Provisions	After Amendment	Commentary
Article 9 Subsequent Control Measures for Loaned Amount and Procedures for Handling Overdue Claims	3. Upon loan maturity, the borrower shall repay the principal and interest immediately, except those complying with the proviso of Subparagraph 1, Paragraph 1 of Article 8. In the event of a violation, the Company may directly dispose of and claim against the provided collateral or guarantor in accordance with the law.	Article 8 Subsequent Control Measures for Loaned Amount and Procedures for Handling Overdue Claims	3. Upon loan maturity, the borrower shall repay the principal and interest immediately, except those complying with Paragraph 1 of Article 7. In the event of a violation, the Company may directly dispose of and claim against the provided collateral or guarantor in accordance with the law.	1. Adjustment of Article Order 2. Index of Modified Provisions

Attachment 6

Details of the Release of Director's Non-Compete Restrictions

Title	Name	Current Positions at Other Companies
Chairman	Chun Yung Investment Co., Ltd. Huang, Nan-Kuang	Director, Tau Miau Motor Co., Ltd. Director, Central Motor Co., Ltd.
Vice Chairman	Feng Gang Enterprise Co., Ltd. Su, Chwen-Shing	Director, Nan Du Motor Co., Ltd. Director, Kau Du Automobile Co., Ltd. Chairman and Representative Director of Hotai Japan Corporation
Director	Toyota Motor Corporation Masayuki Sawada	Director. Carmax Co., Ltd. Director, Kuotu Motor Co., Ltd.

VIII. Appendixes

Hotai Motor Co., Ltd.
Articles of Incorporation

Appendix 1

June 13, 2025

Section I General Provisions

Article 1

The Company shall be incorporated, as a company limited by shares, under Company Act of the Republic of China, and its name is Hotai Motor Company Limited.

Article 2

The scope of business of the Company shall be as follows:

1. CC01070 Telecommunication Equipment and Apparatus Manufacturing.
2. CC01100 Telecommunications Radio-Frequency Devices and Materials Manufacturing.
3. CD01030 Motor Vehicles and Parts Manufacturing.
4. CD01990 Other Transport Equipment and Parts Manufacturing.
5. CE01010 General Instrument Manufacturing.
6. F108031 Wholesale of Medical Devices.
7. F113020 Wholesale of Household Appliance.
8. F113070 Wholesale of Telecommunication Apparatus.
9. F114010 Wholesale of Automobiles.
10. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories.
11. F114050 Wholesale of Tires.
12. F114990 Wholesale of Other Traffic Means of Transport and Component Parts Thereof.
13. F208031 Retail Sale of Medical Apparatus.
14. F213010 Retail Sale of Household Appliance.
15. F213060 Retail Sale of Telecommunication Apparatus.
16. F214010 Retail Sale of Motor Vehicles.
17. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories.
18. F214050 Retail Sale of Tires.
19. F214990 Retail Sale of Other Transport Equipment and Parts.
20. F401010 International Trade.
21. G801010 Warehousing.
22. JA01010 Automobile Repair.

23. JA01040 Liquefied Petroleum Gas Automobile Refitting.

24. JA01990 Other Automobile Services.

25. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3

The Company may provide endorsement and guarantee and act as a guarantor.

Article 4

The Company shall not be subject to the restriction of not more than forty percent of the Company's paid-up capital as provided in Article 13 of the Company Act if the Company is a shareholder with limited liability for another company.

Article 5

The Company has its head office in Taipei City, Taiwan, Republic of China, and shall be free, upon approval of Board of Director to set up, terminate or change representative and branch offices at various locations within and without the territory of the Republic of China, wherever and whenever the Company deems it necessary or advisable to carry out any or all its activities.

Article 6

Public announcements of the Company shall be made in accordance with Article 28 of Company Act of the Republic of China.

Section II Capital Stock

Article 7

The total capital stock of the Company shall be in the amount of 6,000,000,000 New Taiwan Dollars, divided into 600,000,000 shares, at ten New Taiwan Dollars each, and may be issued in installments under approval of Board of Directors.

Article 8

The Company could ask for Large Denomination Securities if it is necessary to send the stocks to Taiwan Depository and Clearing Corporation.

Article 9

The share certificates of the Company shall be name-bearing and numbered share certificates signed by or sealed with the chop by the director representing the Company, and issued by a bank legally competent to serve as the attester for the issuance of share certificates in accordance with Company Act and relevant regulations of the Republic of China. The Company may issue shares without printing share certificate, but should ask for logging in from Taiwan Depository and Clearing Corporation.

Article 10

All transfer of stocks, pledge of rights, loss, succession, gift, loss of seal, amendment of seal, change of address or similar stock transaction conducted by shareholders of the Company shall follow the "Guidelines for Stock Operations for Public Companies" unless specified otherwise by law and securities regulations.

Article 11

The entries in the shareholders' roster shall not be altered within 60 days prior to the convening date of a regular shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting, or within 5 days prior to the target date fixed by the Company for distribution of dividends, bonus or other benefits.

Article 12

The Company could charge handling fee whilst a stock certificate needs replacement because it is lost or because of other reasons.

Section III Shareholders' Meeting

Article 13

Shareholders' meetings of the Company are of two types, regular meeting and special meeting. Regular meeting is held once every year and shall be convened within six months after the close of each fiscal year. Special meeting shall be convened as necessary.

The meeting shall be convened by Board of Directors unless otherwise provided in Company Act of the Republic of China.

The Company's shareholders' meeting can be held by means of video conference or other methods promulgated by the central competent authority.

Article 14

Each share of stock shall be entitled to one vote.

Article 15

Except as otherwise provided in Company Act of the Republic of China, the chairman of shareholders' meeting should follow Article 23 of these Articles of Incorporation.

Article 16

If a shareholder is unable to attend a shareholders' meeting, he/she may appoint a representative by a power of attorney form issued by the Company to attend it, and to exercise, on his/her behalf, under his/her permission for all rights specified in the form at the meeting, in accordance with Article 177 of Company Act of the Republic of China. The way to use proxies shall follow Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies unless there are other regulation by Company Act of the Republic of China.

Article 17

Except as otherwise provided in Company Act of the Republic of China, resolutions shall be adopted at the meeting with the concurrence of a majority of the votes held by shareholders present at the meeting, and shareholders' meetings may be held if attended by shareholders representing more than one half of the total issued and outstanding capital stock of the Company.

Article 18

The resolutions of the shareholders' meeting shall be recorded in the minutes, and such minutes shall record the date, place, chairman's name, the way of resolutions, meeting process and result of shareholders' meeting. Such minutes shall be signed by or sealed with the chop of the chairman of the meeting and delivered to all shareholders within 20 days and kept during the continuance of existence of the Company.

The delivery of such minutes could be a public announcement.

The minutes shall be kept permanently during the continuance of existence of the Company.

The attendance list and proxies of the meetings shall be filed and kept for at least a year, but if a shareholder raise a suit in accordance with Article189of Company Act of the Republic of China, the attendance list and proxies of the meetings shall be filed and kept until the suit is over.

Section IV Directors and Board of Directors

Article 19

The Company shall have thirteen to fifteen directors. The aforesaid Board of Directors shall have three independent directors, and ten to twelve non-independent directors. Directors shall be elected by adopting candidates nomination system as specified in Company Act of the Republic of China. The term of office for Directors shall be three years, and all Directors shall be eligible for re-election.

The election of independent directors and non-independent directors shall be held together; however, the number of independent directors and non-independent directors elected shall be calculated separately. The ones with more votes are the ones being independent or non-independent directors.

Article 20

The directors shall elect from among themselves a Chairman of Board of Directors, by a majority in a meeting attended by over two-thirds of the Directors. The Company shall elect a Vice Chairman through the same way if necessary. The Company shall elect a Vice Chairman through the same way if necessary.

Article 21

The Chairman of Board of Directors shall have the authority to represent the Company and execute all Company management in compliance with the relevant regulations, Articles of Incorporation, Resolutions of shareholders' meeting and Board of Directors.

Article 22

In the case that vacancies on Board of Directors exceed, for any reason, one third of the total number of the Directors, then Board of Directors shall convene a special shareholders' meeting to elect new Directors to fill such vacancies within 60 days.

Article 23

Except the first Board meeting of every term of the newly elected Board of Directors, which shall be convened by the Director who has received the largest number of votes after such new election, meetings of Board of Directors shall be convened by the Chairman of Board of Directors.

The Chairman of Board of Directors shall have the authority to represent the Company and shall chair the of shareholders' meeting and Board of Directors' meeting. In case the Chairman of the Board of Directors is on leave or unable to exercise his power and authority for any cause, the Vice Chairman shall act on his behalf. In case there is no Vice Chairman, or the Vice Chairman is also on leave or absent or unable to exercise his power and authority for any cause, the Chairman of Board of Directors shall designate one of the directors to act on his behalf; if the Chairman of Board of Directors has not designated anyone to act on his behalf, the directors shall designate one among themselves.

Notices of Board of Directors' meetings could be through writing, fax or electronic.

Article 24

Except as otherwise provided in Company Act of the Republic of China, a meeting of Board of Directors may be held if attended by a majority of total Directors and resolutions shall be adopted with the concurrence of the majority of the Directors present at the meeting.

Article 25

A Director shall attend the meetings of Board of Directors in person, if he/she may not attend, he/she shall by written authorization, appoint another Director to attend on his/her behalf the meetings of the Board of Directors, and to vote for him/her on matters presented at such meeting as specified on the

authorization, but no Director may act as proxy for more than one other Director.

Article 26

The resolutions of Board meetings shall be recorded in the minutes, and such minutes shall record the date, place, chairman’s name, the way of resolutions, meeting process and result of Board meetings. Such minutes shall be signed by or sealed with the chop of the chairman of the meeting and sent to all directors within 20 days.

The production and delivery of such minutes could be through electronic means.

The minutes and attendance list of the meetings shall be kept during the continuance of existence of the Company.

Article 27

In compliance with regulation, the Company shall establish an Audit Committee, which shall consist of all independent directors.

Thee Audit Committee shall be responsible for those responsibilities of Supervisors specified under Company Act, Securities and Exchange Law and

other relevant regulations of the Republic of China.

In addition to the establishment of an Audit Committee, the Company's Board of Directors may also establish other functional committees, and their regulations shall be

enacted by Board of Directors.

Article 28

Board of Directors is authorized to determine the salary for Directors, the standards of the industry shall be taken into account. The company may take out liability insurance for directors with respect to liabilities resulting from exercising their duties during their terms of occupancy.

Article 29

The total registered shares owned by Directors of the Company shall be in accordance with Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies.

Section V Management

Article 30

The Company shall appoint one President, and such other Vice Presidents and Directors.

Article 31

The decision to engage with, terminate and pay for the management shall be held in the meeting of Board of Directors if attended by a majority of total Directors and resolutions shall be adopted with the concurrence of the majority of the Directors present at the meeting.

Section VI Accounting

Article 32

The fiscal year for the Company shall be from January 1 of each year to December 31 of the same year.

Article 33

After the close of each fiscal year, the following reports shall be prepared by Board of Directors, and submitted to the Audit Committee before 30 days of regular shareholders' meeting:

1. Business Report;
2. Financial Statements;
3. The surplus earning distribution or loss offsetting proposals.

Article 34

To the extent that the Company has generated annual profits, 1% of which shall be set aside for employee remuneration and no more than 2% for directors' remuneration; provided, however, independent directors are not eligible to participate in the profit distribution of the Company. provided, however, independent directors are not eligible to participate in the profit distribution of the Company.

Of the employee remuneration amount mentioned in the preceding paragraph, no less than 20% shall be allocated as remuneration for junior-level employees.

Employee remuneration may be paid in the form of stocks or cash and shall be approved by over half of the directors present at the Board meeting attended by at least two-thirds of the directors,

and shall be reported at the shareholders' meeting.

Article 35

The Company is in a constantly evolving industry and has entered into the maturity stage of its life cycle. In order to fulfill the need of shareholders' cash inflow and take the Company's funding requirement and long-term financial plan into consideration, if there are earning surplus after final accounting of the fiscal year, the Company shall, after its losses in previous years have been covered and all applicable taxes and dues have been paid, first set aside 10% as legal reserve, then set aside special reserve pursuant to applicable law or regulation, then combined with the initial undistributed surplus of that period, shall be the accumulated earnings available for distribution to the shareholders. The ratio of dividend shall not be lower than 50% of current year earnings available for distribution; distribution of cash dividend shall not be lower than 10% of total dividend.

The Board of Directors shall propose a profit distribution plan, including the percentage and form of payment, based on the profitability and available funds of the Company each year, and submit to the shareholders' meeting for approval.

The decision to distribute all or part of the dividends and/or bonuses in cash shall be adopted by a resolution of the majority of the Board of Directors in a meeting attended by over two-thirds of the

directors and reported to the shareholders' meeting; the requirement to obtain shareholders' approval in the preceding paragraph shall not apply.

Section VII Supplementary Provisions

Article 36

The internal organization of the Company and the detailed procedures of business operation shall be determined by the Board of Directors.

Article 37

In regard to all matters not provided for in these Articles of Incorporation, Company Act and other related regulations of the Republic of China shall govern.

Article 38

These Articles of Incorporation are agreed to and signed on January 1, 1955. The first Amendment was on February 27, 1959. The second Amendment on February 6,1960. The third Amendment on August 15, 1966. The fourth Amendment on May 12 1967. The fifth Amendment on October 1, 1967. The sixth Amendment on March 15, 1970. The seventh Amendment was on December 5, 1970. The eighth Amendment was on September 30, 1971. The ninth Amendment was on February 28, 1974. The tenth Amendment was on June 18, 1974. The eleventh Amendment was on June 26, 1976. The twelfth Amendment was on March 15, 1977. The thirteenth Amendment was on March 17, 1978. The fourteenth Amendment was on April 25, 1979. The fifteenth Amendment was on May 10, 1981. The sixteenth Amendment was on September 7, 1982. The seventeenth Amendment was on October 27, 1983. The eighteenth Amendment on March 17, 1988. The nineteenth Amendment on May 18, 1990. The twentieth Amendment was on April 24, 1991. The twenty-first Amendment was on May 22, 1992. The twenty-second Amendment on March 26, 1993. The twenty-third Amendment was on May 27, 1994. the twenty-fourth Amendment on June 13, 1995, the twenty-fifth Amendment on May 10, 1996, the twenty-sixth Amendment on May 16, 1997, the twenty-seventh Amendment on May 15, 1998, the twenty-eighth Amendment on May 24, 2000, the twenty-ninth Amendment on May 11, 2001, thirtieth Amendment on June 20, 2002, thirty-first Amendment on June 18, 2004, thirty-second Amendment on June 13, 2007,thirty-third Amendment on June 21, 2012, thirty-fourth Amendment on June 25, 2015, thirty-fifth Amendment on June 21, 2016, thirty-sixth Amendment on June 20, 2019, thirty-seventh Amendment on June 19, 2020, and thirty-eighth Amendment on June 21, 2022, thirty-ninth Amendment was on May 30, 2024, and the fortieth Amendment on June 13, 2025.

Hotai Motor Co., Ltd.

Appendix 2

Rules and Procedures of Shareholders' Meetings

June 23, 2021

Article 1.

All proceedings of the Company's shareholders' meetings shall be conducted in accordance with these Rules unless otherwise stipulated by other laws and regulations.

Article 2.

The term "shareholder" as used in these rules refers to the shareholder themselves and the proxy appointed to attend by the shareholder.

Article 3.

Shareholders attending the meeting are requested to bring their attendance certificates, submit the sign-in cards for registration, and use the number of shares indicated on the sign-in cards to calculate the number of shares present.

Article 4.

The shareholders' meeting shall be held at the location of the Company's headquarters or at a location convenient for shareholders to attend and suitable for holding such a meeting. The meeting time shall not be earlier than 9:00 am or later than 3:00 pm.

Article 5.

If the shareholders' meeting is convened by the Board of Directors, it shall be chaired by the Chairman. In case the Chairman is on leave or unable to exercise his/her power and authority for any cause, the Vice Chairman shall act on his/her behalf. If the Vice Chairman is also on leave or unable to exercise his/her power and authority for any cause, the Chairman shall designate one of the managing directors to act on his/her behalf. If the Chairman has not designated a proxy, one of the managing directors or directors shall mutually select one to act as proxy.

If the shareholders' meeting is convened by a convener other than the Board of Directors, the convener shall act as the chairman.

When there are more than two conveners, they shall mutually select one to act as the chairman.

Article 6.

The Company may appoint designated lawyers, accountants, or relevant personnel to attend the shareholders' meeting.

The personnel handling the affairs of the shareholders' meeting should wear identification badges.

Article 7.

The entire proceedings of the shareholders' meeting shall be recorded via audio or video, and the records shall be kept for at least one year.

Article 8.

At the scheduled meeting time, if shareholders representing more than one half of the total issued shares are present, the chairperson shall declare the meeting call to order. If the shareholders present do not meet this quota, the chairperson may announce a postponement of the meeting, which may be extended up to two times, with the total postponement not exceeding one hour. If after two postponements there is still not a quorum, but shareholders representing more than one-third of the total issued shares are present, provisional resolutions may be adopted with the concurrence of a majority of the votes held by shareholders present at the meeting according to Paragraph 1, Article 175 of the Company Act of. However, for special resolutions regulated by the Company Act, resolutions must be adopted in accordance with the Company Act. Before the conclusion of the meeting, if the shares represented by shareholders present reach more than one half of the total issued shares, the chairperson may resubmit the adopted provisional resolutions for a vote at the meeting in accordance with Article 174 of the Company Act of.

Article 9.

If the shareholders' meeting is convened by the Board of Directors, its agenda shall be determined by the Board of Directors. The meeting should proceed according to the scheduled agenda and shall not be altered without a resolution passed by the shareholders' meeting.

If a shareholders' meeting is convened by a convener other than the Board of Directors, the provisions of the preceding paragraph shall apply mutatis mutandis.

Before the conclusion of the agenda scheduled in the preceding two paragraphs, including extempore motions, the chairperson may not unilaterally announce an adjournment without a resolution. If the chairman violates the rules of procedure and announces the adjournment, a new chairman may be elected to continue the meeting with the concurrence of a majority of the votes held by shareholders present at the meeting.

After the adjournment of the meeting, except for the situation mentioned in the preceding paragraph, shareholders may not elect another chairman to continue the meeting at the original location or elsewhere.

Article 10.

When attending shareholders wish to speak, they must first fill out a speech note, indicating the main points of the speech, the shareholder account number (or attendance certificate number) and the account name. The chairman will determine the order of speaking.

Shareholders who submit a speech note but do not speak shall be regarded as not having spoken. If the content of the speech does not match the speech note, the content of the speech shall prevail.

Article 11.

Shareholders or proxies present may raise inquiries regarding the agenda's specified reports only after all reports have been read or reported by the chairperson or a designated person. Speech is limited to once and for no more than three minutes. Each shareholder's speech on other motions shall not exceed two times, with each time not exceeding five minutes.

When a corporate shareholder appoints more than two representatives to attend a shareholders' meeting, only one person is allowed to speak on the same motion.

If a shareholder's speech violates procedural rules, exceeds the scope of the agenda, or disrupts the order of the meeting, the chairman may stop their speech or declare a halt to the discussion. Shareholders who do not comply with the chairman's intervention may be asked to leave the venue by order of the chairman, with the assistance of disciplinary personnel or security personnel.

When a shareholder is speaking, other shareholders are not allowed to interrupt unless they obtain the consent of both the chairman and the speaking shareholder. Those who violate this rule should be stopped by the chairman.

Article 12.

After a shareholder's speech, the chairman may personally respond or designate relevant personnel to reply.

Article 13.

When the chairperson believes that the discussion on a motion has reached a level sufficient for a vote, they may announce the cessation of the discussion and proceed directly to a vote.

Article 14.

The personnel responsible for supervising and counting the votes on the motion shall be appointed by the chairman, but the scrutineers must be shareholders.

Article 15.

The voting on motions shall be based on shares. Except as otherwise provided in the Company Act and the Articles of Incorporation, motions are passed with the concurrence of a majority of the votes held by shareholders present at the meeting. During a vote, if the chairperson inquires and no objections are raised, it is considered approved, and its effect is the same as a vote by ballot.

The result of the voting shall be announced on the spot and recorded.

The particulars and preservation period of the minutes shall refer to Article 18 of the Company's Articles of Incorporation.

Article 16.

When there are amendments or alternative proposals for the same motion, the chairman shall decide the order of voting along with the original motion. If one of the proposals is approved, other motions are considered rejected and do not need to be voted on.

Article 17.

During the meeting, the chairperson may announce a recess at their discretion. In the event of a major disaster such as an air raid alarm, earthquake, or fire during the meeting, the meeting shall be stopped or temporarily suspended, and individuals shall evacuate. The meeting will resume one hour after the situation has cleared, as announced by the chairperson.

Article 18.

The chairman may direct the disciplinary personnel (or security personnel) to assist in maintaining the order of the venue. When disciplinary personnel (or security personnel) are present to assist in maintaining order, they should wear an armband labeled "disciplinary personnel".

Shareholders should comply with the directions of the chairman and disciplinary personnel regarding maintaining order. For individuals who obstruct the proceedings of the shareholders' meeting and do not comply after being stopped, the chairman or disciplinary personnel may remove them.

Article 19.

In regard to all matters not provided for in these Rules, the Company Act, Securities and Exchange Law, other related laws and regulations, and the Company's Articles of Incorporation shall govern.

Article 20.

These Rules shall be enforced after being approved by a resolution at the shareholders' meeting, and the same shall apply to any amendments.

Hotai Motor Co., Ltd.

Appendix 3

Procedures for Lending Funds to Others

June 20, 2019

Article 1.

This operational procedure is established in accordance with Article 36-1 of the Securities Exchange Act.

Article 2.

All matters regarding the Company's lending of funds to others shall be handled in accordance with the Procedures for Lending Funds to Others.

Article 3.

Lending subjects

Except in the following circumstances, the Company's funds shall not be lent to shareholders or any other person:

I. Companies or firms that have a business relationship with the Company.

II. Companies or firms with a necessity for short-term funds.

The term "short-term" as referred to in the preceding paragraph means one year. However, if a company's business cycle is longer than one year, the business cycle shall prevail.

For foreign companies in which the Company directly and indirectly holds 100% of the voting shares, the lending amount limit for individual entities shall not exceed 100% of the lending company's net worth, and the total amount limit shall not exceed 200% of the lending company's net worth. The financing period shall not exceed five years in principle, and the interest calculation method shall be determined by the resolution of the lending company's Board of Directors.

When the responsible person of the Company violates the provision of Paragraph 1, Article 3 of the "Regulations Governing the Handling of Funds and Endorsements/Guarantees of Public Companies," he/she shall be jointly and severally liable with the borrower for the repayment. If the Company suffers any damages, he/she shall also be liable for compensation.

Article 4.

The reason and necessity for lending funds to others

When the Company lends funds to other companies or firms due to business relationships, it shall comply with the provisions of Paragraph 2, Article 5. The lending subjects with a necessity for short-term funds are limited to the following circumstances:

I. Companies in which the Company holds more than fifty percent of shares and have a necessity for short-term funds due to business needs.

II. Companies or firms with a necessity for short-term funds due to material purchase or operational turnover needs.

III. Others who are lent funds with the approval of the Company's Board of Directors.

Article 5.

The total amount for lending funds and individual limits for entities

I. The total amount of the Company's lending of funds to others shall not exceed 20% of the Company's net worth.

II. For companies or firms that have a business relationship with the Company, the individual lending amount shall not exceed the amount of business transactions between the two parties. The term "amount of business transactions" refers to the higher of the purchase or sales amount between the two parties.

III. For companies or firms with a necessity for short-term funds, the individual lending amount shall not exceed 10% of the Company's net worth.

Article 6.

Procedures for Lending Funds

I. When the Company handles matters of lending funds, the borrower should first provide the necessary company information and financial data, and submit a written application for the financing credit to the Company.

After the Company accepts the application, the designated unit should investigate and evaluate the lending subjects' business operations, financial condition, repayment ability and credit, earning capacity, and purpose of borrowing, and prepare a report.

II. The designated unit should conduct a credit investigation and risk assessment on the lending subjects, and the assessment items should at least include:

(I) The necessity and reasonableness for lending funds to others.

(II) Measure the necessity of the lending amount based on the financial status of the lending subjects.

(III) Whether the cumulative and individual lending amounts to entities remain within the limits.

(IV) Lending funds due to business relationships should assess whether the lending amount and the business transaction amount are within the limits.

(V) The impact on the Company's operational risks, financial condition, and shareholders' equity.

(VI) Whether to obtain collateral and the assessed value of the collateral.

(VII) Attach the credit investigation and risk assessment records of the lending subjects.

III. When the Company handles matters of lending funds, it should obtain a promissory note for the same amount as collateral, and if necessary, arrange for the mortgage of movable or immovable property. For the preceding debt guarantee, if the debtor provides a person or company with equivalent financial strength and creditworthiness as a guarantor in lieu of collateral, the Board of Directors may refer to the credit report from the designated unit for handling. If a company is the guarantor, attention must be paid to whether its Articles of Incorporation include provisions permitting it to act as a guarantor.

Article 7.

Decision-making level

When the Company handles matters of lending funds, and after credit investigation and risk assessment by the Company's designated unit, it is determined that the borrower has a good credit rating, legitimate borrowing purposes, a clear necessity for the loan, and no issues with repayment, it should be submitted for resolution and approval by the Board of Directors and may not authorize others for making such decision. The opinions of each independent director shall be fully considered. Their explicit agreement or disagreement and the reasons for any objections shall be included in the minutes of the Board of Directors meetings.

Lending of funds between the Company and its subsidiaries shall be submitted for a Board of Directors resolution as stipulated in the preceding paragraph. The Chairman may be authorized to release the loan in installments or use the funds on a revolving basis within the certain amount decided by the Board of Directors and within a period not exceeding one year for the same lending subjects.

The aforementioned certain amount refers to the authorized lending limit of the Company to a single enterprise, which shall not exceed 10% of the Company's net worth as shown in the most recent financial statements.

Lending of funds by the Company, which requires the approval of the Board of Directors pursuant to the Procedures or other applicable laws or regulations, is considered a material lending transaction of funds. It shall be approved by a majority of all members of the Audit Committee and submitted to the Board of Directors for resolution. If the Company fails to obtain the approval of a majority of all members of the audit committee, it may be adopted by the approval of at least two-thirds of all members of the Board. The resolution of the audit committee shall be recorded in the meeting minutes of the Board. As referred to in the preceding paragraph, “all members of the audit committee” shall mean the incumbent members of the audit committee, and “all members of the Board” shall mean the incumbent members of the Board of Directors.

Article 8.

Lending Period and Interest Calculation Method

I. The lending period for each fund shall not exceed one year in principle. However, for those under Subparagraph 1, Paragraph 1, Article 3, in special circumstances, the lending period may be extended as needed after obtaining approval from the Board of Directors.

II. The lending interest rate shall not be lower than the "average base lending rate of the five major banks" as announced by the Central Bank in the most recent period.

The interest on the Company's loans shall be calculated and collected on a monthly basis in principle. In special circumstances, adjustments may be made as needed after obtaining approval from the Board of Directors.

Article 9.

Subsequent Control Measures for Loaned Amount and Procedures for Handling Overdue Claims

I. After the loan disbursement, attention should consistently be paid to the financial, business, and relevant credit status of the borrower and guarantor. If collateral is provided, its collateral value should also be monitored for any changes. In case of significant changes, the Chairman should be notified immediately, and appropriate actions should be taken according to the instructions.

II. When the borrower repays the loan either upon maturity or before maturity, they shall first calculate the interest payable and clear it along with the principal, after which the promissory note, IOU, etc., can be canceled and returned to the borrower, or the mortgage can be canceled.

III. Upon loan maturity, the borrower shall repay the principal and interest immediately, except those complying with the provisions of Subparagraph 1, Paragraph 1 of Article 8. In the event of a violation, the Company may directly dispose of and claim against the provided collateral or guarantor in accordance with the law.

Article 10.

Internal Control

I. The designated unit shall establish a record book to specifically record the subjects of lending, the lending amounts, dates of approval by the Board of Directors, dates of fund disbursement, and evaluation items that should be carefully assessed in accordance with the regulations.

II. The Company's internal audit personnel shall audit the procedures for lending funds to others and their implementation at least quarterly and prepare written records. In the event of a major violation, they shall immediately notify the Audit Committee in writing.

III. The Company shall conduct the lending of funds in accordance with the prescribed procedures. In the event of any material violation, managers and the responsible personnel shall be punished depending on the degree of violation.

IV. If due to changed circumstances, the lending subjects no longer comply with the Procedures or the balance exceeds the limit, the Company shall formulate an improvement plan, submit the relevant improvement plan to the Audit Committee, and complete the improvements according to the plan's schedule.

Article 11.

Procedure for Disclosure and Report

I. The Company shall, prior to the 10th day of each month, announce and report the balance of funds lent by the Company and its subsidiaries for the previous month.

II. If the Company's lending of funds meets any of the following standards, it shall announce and report within two days from the date of occurrence:

(I) The balance of funds lent by the Company and its subsidiaries to others reaches 20% or more of the Company's net worth as shown in the most recent financial statements.

(II) The balance of funds lent by the Company and its subsidiaries to a single company reaches 10% or more of the Company's net worth as shown in the most recent financial statements.

(III) The newly added amount of funds lent by the Company or its subsidiaries reaches more than NT$10 million and 2% or more of the Company's net worth as shown in the most recent financial statements.

(IV) The date of occurrence referred to in the Procedures means the earliest of the contract signing date, payment date, entrusted dealing date, transfer date, Board of Directors resolution date, or any other date sufficient to determine the lending subjects and amount.

III. If the Company's subsidiaries are not domestic public companies and have matters in accordance with subparagraph 3 of the preceding paragraph that should be publicly announced and reported, it shall be done by the Company.

Article 12.

Control Procedures for a Subsidiary’s Lending of Funds to Others

I. When the Company's subsidiary plans to lend funds to others, the Company shall instruct the subsidiary to establish procedures for lending funds to others in accordance with regulations, and handle the transactions in accordance with the procedures.

II. The subsidiary shall, prior to the 6th day of each month, send the list of funds lent and recovered for the previous month to the designated unit of the Company for compilation and announcement and reporting in accordance with regulations.

Article 13.

The Company should evaluate the situation of lending funds and set aside an adequate allowance for bad debts. It should appropriately disclose related information in the financial reports and provide relevant data to the accountant to perform necessary audit procedures and issue a suitable audit report.

Article 14.

When the Procedures are established or amended, they shall be approved by a majority of all members of the Audit Committee and submitted to the Board of Directors for resolution. After being adopted by the Board of Directors, they shall be submitted to the shareholders meeting for approval. If any Director expresses dissent which is recorded or in a written statement, the Company shall submit the dissent for discussion at the shareholders' meeting.

When the Procedures are submitted to the Company's Board of Directors for discussion, each independent director's opinions shall be taken into full consideration. Any objections or reservations of any independent director shall be recorded in the minutes of the Board of Directors meetings.

If the Company fails to obtain the approval of a majority of all members of the Audit Committee as provided in the first paragraph, the Procedures may be adopted by the approval of at least two-thirds of all members of the Board. The resolution of the Audit Committee shall be recorded in the meeting minutes of the Board.

As referred to in this article, "all members of the Audit Committee" shall mean the incumbent members of the Audit Committee, and as referred to in the preceding paragraph, "all members of the Board" shall mean the incumbent members of the Board of Directors.

Article 15.

In regard to all matters not provided for in the Procedures, other related laws and regulations shall govern.

Appendix 4

Shareholdings of Directors

Base Date: March 29, 2026; Unit: Shares

Title	Account Name	Representative	Shareholdings
Chairman	Chun Yung Investment Co., Ltd.	Huang, Nan-Kuang	251,480
Director	Feng Gang Enterprise Co., Ltd.	Su, Chwen-Shing	41,380,740
Director	Toyota Motor Corporation	Kazuo Naganuma	56,617,792
Director	Chun Yung Investment Co., Ltd.	Lin, Li-Hua	251,480
Director	Feng Gang Enterprise Co., Ltd.	Su, Jean	41,380,740
Director	Chun Yung Investment Co., Ltd.	Huang, Chih-Cheng	251,480
Director	Yong Hui Development Co., Ltd.	Su, Yi-Chung	10,200
Director	Yuan Tuo Investment Co., Ltd.	Ko, Junn-Yuan	15,017,744
Director	Gui Long Investment Co., Ltd.	Chang, Shih-Yieng	5,228,520
Director	Chun Yung Investment Co., Ltd.	Huang, Wen-Jui	251,480
Director	Yong Hui Development Co., Ltd.	Su, Leon	10,200
Independent Director	Su, Chin-Huo	—	0
Independent Director	Tian, Tian-Ming	—	0
Independent Director	Xiao Jin-Quan	—	0
All Directors			118,506,476

The Company's paid-up capital: NT$5,571,027,680; Total shares issued: 557,102,768 shares.

According to Article 26 of the Securities Exchange Act, the minimum required percentage of shares held by all directors is as follows: Shareholdings of directors required by law: 17,827,289 shares.

The Shareholdings of directors has met the minimum legal requirement.

The Audit Committee of the Company will replace the functions of supervisors. Therefore, the minimum legal requirement of supervisor shareholding does not apply.

和泰集團
Hotai Group

和泰汽車股份有限公司
Hotai Motor Co., Ltd.



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