Stock Code: 4721

MECHEMA CHEMICALS INTERNATIONAL CORP.

2025 Annual Shareholders' Meeting Handbook

Time: 9:00 a.m. on June 26, 2025
Venue: No.1, Datong 1st Road, Caota Village, Guanyin District, Taoyuan City (office building of the Company)

Table of Contents

Page

One. Meeting Procedure for the 2025 Annual Shareholders' Meeting of Mechema Chemicals International Corp.

1. Call the meeting to order (report the number of shares represented by the attending shareholders and shareholders' agents)

2. Address by the chairperson

3. Matters to be Reported

4. Matters to be Ratified

5. Matters to be Discussed

6. Extempore Motions

7. Adjournment

Two. Agenda of the 2025 Annual Shareholders’ Meeting of Mechema Chemicals International Corp.

I. Time: 9:00 a.m. on June 26, 2025 (Thursday)

II. Venue: No.1, Datong 1st Road, Caota Village, Guanyin District, Taoyuan City (office building of the Company)

III. Form of shareholders' meeting: Physical

IV. Report the number of shares present

V. Call the meeting to order

VI. Address by the chairperson

VII. Matters to be Reported
  1. 2024 business report
  2. Audit Committee's review of the Company's 2024 final accounts
  3. The Company’s 2024 report of earnings distribution
  4. Distribution of the Company’s 2024 employees’ remuneration and directors’ remuneration
  5. Consolidation of subsidiary - Mechema Toda Corporation

VIII. Matters to be Ratified
  1. The Company's 2024 business report and financial statements
  2. 2024 earnings distribution

IX. Matters to be Discussed

  Amendment to the Company’s “Articles of Association”

X. Extempore Motions

XI. Adjournment

1. Matters to be Reported

Proposal 1

Subject: The Company's 2024 business report is proposed for review.
Description: Please refer to Attachment 1 on page 11 of the Handbook for the 2024 business report.

Proposal 2

Subject: The Audit Committee's review report of the Company's 2024 final accounts is proposed for review.
Description: Please refer to Attachment 2 on page 12 of the Handbook for the Audit Committee's Review Report.

Proposal 3

Subject: The Company's 2024 report of earnings distribution is proposed for review.
Description: Please refer to the Company’s 2024 report of earnings distribution on page 7.

Proposal 4

Subject:Distribution of the Company’s 2024 employees’ remuneration and directors’ remuneration.
Description: The Company's distribution of employees' remuneration and Directors' remuneration is set out as follows, and the payments will be made in cash

Unit: NT$

Distribution items	Amount proposed by the Board (A)	Estimated amount in the year of expense recognition (B)	Difference (A-B)	Reasons for differences and handling
Employees' remuneration	3,000,000	2,745,000	255,000	Adjustments recorded in the following year
Directors' remuneration	2,200,000	2,200,000	0	None

Proposal 5

Subject: Consolidation of subsidiary - Mechema Toda Corporation.
Description:

1. In accordance with the resolution of the Company's 9th meeting of the 12th-term Board of Directors on March 12, 2025.
2. In October 2024, the Company began negotiations with TODA to purchase its 50% equity interest in Mechema. In accordance with the “Procedures for Acquisition or Disposal of Assets by the Company”, the acquisition of such securities shall be submitted to the chairman of the board of directors for approval if the amount of acquisition is less than NT$30 million, and shall be submitted to the board of directors for approval if the amount of acquisition is more than NT$30 million.
3. Agreed with TODA in November 2024 on a purchase price of JPY11,000,000
4. Signed the Share Purchase Agreement with TODA in December 2024 and received the approval letter from the Investment Commission of the Ministry of Economic Affairs on January 9, 2025.
5. In January 2025, Mechema Toda Corporation became a 100% owned subsidiary of Mechema.
6. Pursuant to Article 19 of the Business Mergers and Acquisitions Act, a company may enter into a merger contract if it merges with a subsidiary in which it owns 90% or more of the outstanding shares.
7. The base date for the merger is scheduled for July 1, 2025.

2. Matters to be Ratified

Proposal 1 (Proposed by the Board)

Subject: The Company's 2024 business report and financial statements are proposed for ratification.

Description:

1. In accordance with the resolution of the Company's 9th meeting of the 12th-term Board of Directors on March 12, 2025.
2. The Company's 2024 business report, individual balance sheet, consolidated balance sheet, individual comprehensive income statement, consolidated comprehensive income statement, individual cash flow statement, consolidated cash flow statement, individual statement of changes in equity, and consolidated statement of changes in equity have been prepared by the Company itself and submitted to and approved by the Board of Directors according to laws and regulations. The CPAs Yung-Ming Chiu and Chi-Ming Hsu of Deloitte Taiwan were commissioned to audit the statements above and issue an auditor's report accordingly. After the review by the Audit Committee, the auditor's report is found to be in conformity with the provisions of the Company Act and other relevant laws and regulations, and sufficient to properly express the 2024 operating results and financial situation.
3. Please refer to Attachment 1 and Attachments 3 to 6 on page 11 and page 13 to 33 of the Handbook, respectively.
4. Please ratify the above.

Resolution:

Proposal 2 (Proposed by the Board)

Subject: 2024 table of earnings distribution proposal by the company, please ratify the above.

Description:

1. Description: In accordance with the resolution of the Company's 10th meeting of the 12th-term Board of Directors on May 12, 2025. And have been sent and reviewed by the Audit Committee, Please refer to the table below for details.

Mechema Chemicals International Corp.
2024 Table of Earnings Distribution

Unit: NT$

Item	Amount
Undistributed earnings at the beginning of the period	**$0**
Plus: Remeasurement of the defined benefit plan recognized in the retained earnings	**1,258,771**
Net profit for the period	**251,917,482**
Subtotal	**253,176,253**
Less: Provision of legal reserve 10%	**-25,317,625**
Distributed earnings	**227,858,628**
Plus: Appropriated retained earnings - Adjustment for Foreign Currency	**18,970,067**
Distributed earnings for the period	**246,828,695**
Dividends to shareholders: Stock dividends - per share	**0**
Dividends to shareholders: Cash dividends – NT$ 2.36 per share	**176,967,677**
Undistributed earnings at the end of the period	**$69,861,018**

I. The Board of Directors authorizes the Chairman of the Board of Directors to determine the ex-dividend date and the dividend payment date and the related legal matters.

II. This cash dividend is calculated according to the proportion of the distribution to the end of the dollar, the dollar is rounded off below, the distribution of less than NT$1 aberrant zero sum, authorize the chairman of the Board of Directors to negotiate with the determinants of the adjustments.

Principal: Lung-Tsai Yen **Manager: Wen-Chi Yen** **Accounting Officer: Li-Kuan Lo**

2. Please ratify the above.

Resolution:

3. Matters to be Discussed

Proposal 1
Subject: Amendment to the Company's "Articles of Association."
Description:

1. In accordance with the resolution of the Company's 10th meeting of the 12th-term Board of Directors on May 12, 2025.
2. A comparison of the provisions before and after the amendment is attached.

Mechema Chemicals International Corp.
Articles of Association - Comparison Table of the Articles Before and After the Amendment

Before amendment	After amendment	Description
Article 19 If the Company makes a profit in the year, it shall allocate not less than 1% of its employees' remuneration, which shall be distributed in shares or cash by the Board resolution. The employees' remuneration referred to in the preceding paragraph, if distributed in shares, may be paid to employees of affiliated companies who meet certain conditions, and the conditions shall be determined by the Board meeting. The Company may allocate no more than 5% of the aforesaid profit as Directors' remuneration by Board resolution, and the remuneration can only be paid in cash. The employees' remuneration and Directors' remuneration shall be decided by a Board meeting with more than two-thirds of the Directors present and a majority vote of the Directors present, and the resolution shall be reported to the shareholders' meeting. However, if the Company still has a cumulative loss, it shall reserve the amount of compensation in advance, and then allocate employees' remuneration and Directors' remuneration according to the proportion mentioned in the preceding paragraph.	Article 19 If the Company makes a profit in the year, it shall allocate not less than 1% of its employees' remuneration, <u>and it not less than 10% should be used for salary adjustment or remuneration distribution to junior staff</u>, which shall be distributed in shares or cash by the Board resolution. The employees' remuneration referred to in the preceding paragraph, if distributed in shares, may be paid to employees of affiliated companies who meet certain conditions, and the conditions shall be determined by the Board meeting. The Company may allocate no more than 5% of the aforesaid profit as Directors' remuneration by Board resolution, and the remuneration can only be paid in cash. The employees' remuneration and Directors' remuneration shall be decided by a Board meeting with more than two-thirds of the Directors present and a majority vote of the Directors present, and the resolution shall be reported to the shareholders' meeting. However, if the Company still has a cumulative loss, it shall reserve the amount of compensation in advance, and then allocate employees' remuneration and Directors'	Addition of remuneration for junior staff in accordance with Paragraph 6, Article 14 of the Securities and Exchange Act

	remuneration according to the proportion mentioned in the preceding paragraph.	
Article 23 The Articles of Association were established on June 24, 1992 The first amendment was made on April 10, 1995. The second amendment was made on May 1, 1997. The third amendment was made on June 11, 1998. The fourth amendment was made on December 4, 1998. The fifth amendment was made on June 2, 1999. The sixth amendment was made on June 9, 2000. The seventh amendment was made on June 26, 2001. The eighth amendment was made on May 20, 2002. The ninth amendment was made on May 23, 2003. The tenth amendment was made on May 18, 2004. The eleventh amendment was made on May 16, 2005. The twelfth amendment was made on June 15, 2006. The thirteenth amendment was made on June 15, 2007. The fourteenth amendment was made on June 25, 2010. The fifteenth amendment was made on June 21, 2012. The sixteenth amendment was made on June 24, 2016. The seventeenth amendment was made on June 29, 2018. The eighteenth amendment was made on June 27, 2019. The nineteenth amendment was made on June 30, 2020. <u>The twentieth amendment was made on June 22, 2022.</u>	Article 23 The Articles of Association were established on June 24, 1992 The first amendment was made on April 10, 1995. The second amendment was made on May 1, 1997. The third amendment was made on June 11, 1998. The fourth amendment was made on December 4, 1998. The fifth amendment was made on June 2, 1999. The sixth amendment was made on June 9, 2000. The seventh amendment was made on June 26, 2001. The eighth amendment was made on May 20, 2002. The ninth amendment was made on May 23, 2003. The tenth amendment was made on May 18, 2004. The eleventh amendment was made on May 16, 2005. The twelfth amendment was made on June 15, 2006. The thirteenth amendment was made on June 15, 2007. The fourteenth amendment was made on June 25, 2010. The fifteenth amendment was made on June 21, 2012. The sixteenth amendment was made on June 24, 2016. The seventeenth amendment was made on June 29, 2018. The eighteenth amendment was made on June 27, 2019. The nineteenth amendment was made on June 30, 2020. The twentieth amendment was made on June 22, 2022. <u>The twenty-first amendment was made on June 26, 2025.</u>	Added the date of the amendment.

3. Please make a resolution.

Resolution:

4. Extempore Motions

5. Adjournment

[Attachment 1]

Mechema Chemicals International Corp.
2024 Business Report

The consolidated operating income of the Company in 2024 was NT$2,121,654 thousand, representing a decrease of NT$194,710 thousand or 8% from NT$2,316,364 thousand in 2023. The consolidated net operating profit in 2024 was NT$268,598 thousand, showing an increase of NT$152,601 thousand or 132% from NT$115,997 thousand in 2023. The consolidated net profit before tax in 2024 was NT$283,165 thousand. The income tax allocated amounted to NT$31,248 thousand. As a result, the consolidated net profit after tax in 2024 was NT$251,917 thousand.

In 2024, the quotations in the international commodity market fluctuated intensively. The average price per pound of cobalt, a major raw material of the Company, was US$15.11, which decreased by 12% from the average price per pound of US$17.22 in 2023. The Company's operating income declined as the price went down.

Mechema has been operating in the direction of extractive technology development and recycling, and through the efforts of the company's management team, this year's earnings per share is NT$3.36.

In the future, with the accelerated growth of the global electric vehicle market, new production capacity will be gradually opened to meet the demand for cobalt and nickel metals of electric vehicle factories increasing year by year; considering its diversified sources of raw materials in order to reduce the risk of supply, and starting to enter the lithium battery recycling materials business, we are optimistic about the internationalization of the layout of the lithium batteries, and the opening of lithium batteries of the recycling economy and environmental protection, shaping a win-win situation for all three and the implementation of the vision of ESG, and we pray to continue to create a brighter future and remuneration for our shareholders. We also hope to continue to create a better future and remuneration for our shareholders.

[Attachment 2]

Audit Committee's Review Report

The Audit Committee agrees with and the Board of Directors has approved the Company's business report, individual financial statements and consolidated financial statements for 2024. The individual financial statements and consolidated financial statements have been audited by CPAs Yung-Ming Chiu and Chi-Ming Hsu of Deloitte Taiwan, and an unqualified audit report has been issued accordingly.

The above-mentioned business report, individual financial statements (including consolidated financial statements) have been reviewed by the Audit Committee, with no discrepancy detected. Therefore, the report is issued in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act; kindly review and approve.

Mechema Chemicals International Corp.

Meng-Shiou Lee, Convener of the Audit Committee

March 12, 2025

[Attachment 3]

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Mechema Chemicals International Corp.

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

Key audit matters for the Company's financial statements for the year ended December 31, 2024 are stated as follows:

Recognition of Revenue

The main source of revenue of the Company comes from the sales of battery cathode material. Most of the sales were highly concentrated on major customers, which accounted for 37% of total sales revenue. Therefore, the management may be under pressure to meet the profit target. Since there is a significant risk, we considered the recognition of sales revenue as key audit matter.

The main audit procedures performed by the accountant for the above matters are as follows:

1. We assessed the validity of clients' orders from their clients.
2. We tested the design and the operating effectiveness of internal control processes of sales revenue. We reviewed clients' orders, which were authorized by appropriate supervisors, and we checked the shipping documents signed by clients and confirmed that the sales actually occurred.
3. We performed the confirmation letter procedure to confirm the occurrence of sales.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Yung-Ming Chiu and Chi-Ming Hsu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 12, 2025

Notice to Readers

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

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

[Attachment 4]

MECHEMA CHEMICALS INTERNATIONAL CORP.

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

	2024		2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 54,923	3	$ 29,747	2
Notes and trade receivables (Notes 4, 8 and 18)	102,408	5	94,358	6
Trade receivables from related parties (Notes 4, 18 and 23)	177,732	10	89,294	5
Other receivables (Note 4)	17,941	1	14,008	1
Other receivables from related parties (Notes 4 and 23)	22,754	1	14,021	1
Inventories (Notes 4 and 9)	222,791	12	182,446	11
Prepayments (Note 13)	18,103	1	25,640	2
Other current assets	20,883	1	19,307	1
Total current assets	637,535	34	468,821	29
NON-CURRENT ASSETS				
Investments accounted for using the equity method (Notes 4 and 10)	907,407	49	830,596	52
Property, plant and equipment (Notes 4 and 11)	287,286	15	269,694	17
Right-of-use assets (Notes 4 and 12)	220	-	141	-
Deferred tax assets (Notes 4 and 19)	9,111	1	12,054	1
Prepaid equipment	19,752	1	19,170	1
Refundable deposits (Note 4)	2,398	-	2,918	-
Net defined benefit assets - non-current (Note 4)	3,451	-	2,013	-
Other non-current assets	5,661	-	6,260	-
Total non-current assets	1,235,286	66	1,142,846	71
TOTAL	$ 1,872,821	100	$ 1,611,667	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 14)	$ 481,347	26	$ 329,701	21
Notes and trade payables	21,051	1	30,925	2
Trade payables from related parties (Note 23)	14,595	1	-	-
Other payables (Note 15)	27,721	1	20,889	1
Current tax liabilities (Notes 4 and 19)	1,753	-	30,508	2
Lease liabilities - current (Notes 4 and 12)	224	-	145	-
Current portion of long-term borrowings (Note 14)	-	-	70,000	4
Other current liabilities	9,304	1	2,444	-
Total current liabilities	555,995	30	484,612	30
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 19)	5,427	-	5,317	-
Total liabilities	561,422	30	489,929	30
EQUITY (Note 17)				
Ordinary shares	749,863	40	749,863	47
Capital surplus	24,825	1	24,825	2
Retained earnings				
Legal reserve	274,658	15	359,278	22
Special reserve	98,508	5	98,508	6
Unappropriated earnings (accumulated deficit)	253,176	14	(2,135)	-
Total retained earnings	626,342	34	455,651	28
Other equity				
Exchange differences on translating foreign operations	(89,631)	(5)	(108,601)	(7)
Total equity	1,311,399	70	1,121,738	70
TOTAL	$ 1,872,821	100	$ 1,611,667	100

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

MECHEMA CHEMICALS INTERNATIONAL CORP.

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

	2024		2023	
	Amount	**%**	**Amount**	**%**
SALES (Notes 4, 18 and 23)	$ 1,614,266	100	$ 1,833,738	100
COST OF GOODS SOLD (Notes 9, 18 and 23)	1,342,078	83	1,611,554	88
GROSS PROFIT	272,188	17	222,184	12
UNREALIZED GAIN ON TRANSACTIONS WITH ASSOCIATES AND JOINT VENTURES	(88)	-	(6,258)	-
REALIZED GAIN ON TRANSACTIONS WITH ASSOCIATES AND JOINT VENTURES	8,499	1	9,904	-
REALIZED GROSS PROFIT	280,599	18	225,830	12
OPERATING EXPENSES (Notes 8, 18 and 23)				
Selling and marketing expenses	36,840	2	22,132	1
General and administrative expenses	41,921	3	32,490	2
Research and development expenses	12,351	1	15,300	1
Expected credit loss recognized (reversed)	67	-	(923)	-
Total operating expenses	91,179	6	68,999	4
PROFIT FROM OPERATIONS	189,420	12	156,831	8
NON-OPERATING INCOME AND EXPENSES				
Share of profit or loss of associates and joint ventures (Notes 4 and 10)	49,430	3	(144,480)	(8)
Interest income (Note 23)	1,358	-	1,194	-
Rental income (Note 23)	10,806	1	10,806	1
Other income (Note 23)	20,438	1	32,034	2
Net loss on disposal of property, plant and equipment (Note 4)	(24)	-	-	-
Net foreign exchange gain (Notes 4 and 27)	6,440	-	5,063	-
Net loss on valuation of financial assets at FVTPL (Notes 4 and 7)	-	-	(43,068)	(2)
Finance costs	(8,339)	-	(12,684)	(1)
Total non-operating income and expenses	80,109	5	(151,135)	(8)
PROFIT BEFORE INCOME TAX	269,529	17	5,696	-
INCOME TAX EXPENSE (Notes 4 and 19)	(17,612)	(1)	(30,239)	(1)
NET PROFIT (LOSS) FOR THE YEAR	251,917	16	(24,543)	(1)

(Continued)

MECHEMA CHEMICALS INTERNATIONAL CORP.

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

	2024		2023	
	Amount	**%**	**Amount**	**%**
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 4)	$ 1,259	-	$ 101	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations (Notes 4 and 17)	18,970	1	(10,093)	(1)
Other comprehensive income (loss) for the year, net of income tax	20,229	1	(9,992)	(1)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	$ 272,146	17	$ (34,535)	(2)
EARNINGS (LOSS) PER SHARE (Note 20)				
Basic	$ 3.36		$ (0.33)	
Diluted	$ 3.36		$ (0.33)	

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

MECHEMA CHEMICALS INTERNATIONAL CORP.

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

			Retained Earnings			Others	
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings (Accumulated Deficits)	Exchange Differences on Translating Foreign Operations	Total Equity
BALANCE AT JANUARY 1, 2023	$ 749,863	$ 24,825	$ 321,008	$ 120,578	$ 383,444	$ (98,508)	$ 1,501,210
Appropriation of 2022 earnings							
Legal reserve	-	-	38,270	-	(38,270)	-	-
Special reserve	-	-	-	(22,070)	22,070	-	-
Cash dividends distributed by the Company	-	-	-	-	(344,937)	-	(344,937)
Net loss for the year ended December 31, 2023	-	-	-	-	(24,543)	-	(24,543)
Other comprehensive loss for the year ended December 31, 2023	-	-	-	-	101	(10,093)	(9,992)
BALANCE AT DECEMBER 31, 2023	749,863	24,825	359,278	98,508	(2,135)	(108,601)	1,121,738
Legal reserve used to cover accumulated deficit	-	-	(2,135)	-	2,135	-	-
Cash dividends from the legal reserve	-	-	(82,485)	-	-	-	(82,485)
Net profit for the year ended December 31, 2024	-	-	-	-	251,917	-	251,917
Other comprehensive income for the year ended December 31, 2024	-	-	-	-	1,259	18,970	20,229
BALANCE AT DECEMBER 31, 2024	$ 749,863	$ 24,825	$ 274,658	$ 98,508	$ 253,176	$ (89,631)	$ 1,311,399

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

MECHEMA CHEMICALS INTERNATIONAL CORP.

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

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	$ 269,529	$ 5,696
Adjustments for:		
Depreciation expense	18,713	15,386
Amortization expense	3,901	4,099
Net loss on fair value changes of financial assets at fair value through profit or loss	-	43,068
Finance costs	8,339	12,684
Interest income	(1,358)	(1,194)
Share of profit or loss of associates and joint ventures	(49,430)	144,480
Loss on disposal of property, plant and equipment	24	-
Unrealized gain on sales to transactions with associates and joint ventures	88	6,258
Realized gain on sales to transactions with associates and joint ventures	(8,499)	(9,904)
Gain on termination of leases	-	(1)
Changes in operating assets and liabilities:		
Notes and trade receivables	(8,050)	80,447
Trade receivables from related parties	(88,438)	401,540
Other receivables	(3,933)	32,642
Other receivables from related parties	(7,774)	3,500
Inventories	(40,345)	118,211
Prepayments	7,537	(15,530)
Other current assets	(1,576)	(254)
Defined benefit assets	(179)	(171)
Notes and trade payables	(9,874)	(1,571)
Trade payable from related parties	14,595	-
Other payables	6,832	(12,156)
Other current liabilities	54	(499)
Cash generated from operations	110,156	826,731
Interest received	1,335	1,097
Interest paid	(7,213)	(13,214)
Income taxes paid	(43,314)	(101,532)
Net cash generated from operating activities	60,964	713,082
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(1,875)	(8,027)
Proceeds from disposal of property, plant and equipment	30	-
Decrease in refundable deposits	520	285
Increase in other receivables from related parties	(936)	(4,604)
Increase in long-term prepaid expenses	(3,209)	(3,065)
Increase in prepaid equipment	(29,294)	(34,284)
Net cash used in investing activities	(34,764)	(49,695)

(Continued)

MECHEMA CHEMICALS INTERNATIONAL CORP.

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

	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	$ 151,646	$ -
Decrease in short-term borrowings	-	(459,772)
Proceeds from long-term borrowings	-	70,000
Repayments of current portion of long-term borrowings	(70,000)	-
Repayment of the principal portion of lease liabilities	(185)	(732)
Dividends paid to owners of the Company	(82,485)	(344,937)
Net cash used in financing activities	(1,024)	(735,441)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	25,176	(72,054)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	29,747	101,801
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 54,923	$ 29,747

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

[Attachment 5]

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Mechema Chemicals International Corp.

Opinion

We have audited the accompanying consolidated financial statements of Mechema Chemicals International Corp. (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

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

Basis for Opinion

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

Key Audit Matters

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

Key audit matters for the Group's consolidated financial statements for the year ended December 31, 2024 are stated as follows:

<u>Recognition of Revenue</u>

The main source of revenue of the Group comes from the sales of battery cathode material. Most of the sales were highly concentrated on major customers, which accounted for 28% of total sales revenue. Therefore, the management may be under pressure to meet the profit target. Since there is a significant risk, we considered the recognition of sales revenue as key audit matter.

The main audit procedures performed by the accountant for the above matters are as follows:

1. We assessed the validity of clients' orders from their clients.
2. We tested the design and the operating effectiveness of internal control processes of sales revenue. We reviewed clients' orders, which were authorized by appropriate supervisors, and we checked the shipping documents signed by clients and confirmed that the sales actually occurred.
3. We performed the confirmation letter procedure to confirm the occurrence of sales.

Other Matter

We have also audited the parent company only financial statements of Mechema Chemicals International Corp. as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, 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 and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Yung-Ming Chiu and Chi-Ming Hsu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 12, 2025

Notice to Readers

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

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

[Attachment 6]

MECHEMA CHEMICALS INTERNATIONAL CORP. AND SUBSIDIARIES

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

	2024		2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 466,188	24	$ 182,082	11
Financial assets at amortized cost - current (Notes 4, 8 and 26)	33,720	2	31,768	2
Notes and trade receivables (Notes 4, 9 and 20)	398,923	21	461,310	28
Trade receivables from related parties (Notes 4, 20 and 25)	133,726	7	67,818	4
Other receivables (Note 4)	19,067	1	15,041	1
Other receivables from related parties (Notes 4 and 25)	1,732	-	67	-
Current tax assets (Notes 4 and 21)	6,049	-	11,297	1
Inventories (Notes 4 and 10)	337,840	18	357,092	22
Prepayments (Note 15)	20,650	1	25,640	1
Other current assets	33,519	2	40,078	2
Total current assets	1,451,414	76	1,192,193	72
NON-CURRENT ASSETS				
Financial assets at amortized cost - non-current (Notes 4, 8 and 26)	237	-	228	-
Investments accounted for using the equity method (Notes 4 and 11)	1,185	-	14,228	1
Property, plant and equipment (Notes 4 and 12)	387,536	20	370,494	23
Right-of-use assets (Notes 4 and 13)	7,655	1	14,458	1
Investment properties (Notes 4 and 14)	10,624	1	10,806	1
Goodwill (Note 4)	1,281	-	1,281	-
Deferred tax assets (Notes 4 and 21)	9,111	1	12,054	1
Prepaid equipment	19,943	1	19,232	1
Refundable deposits (Note 4)	2,506	-	3,030	-
Net defined benefit assets - non-current (Note 4)	3,451	-	2,013	-
Other non-current assets	5,661	-	6,901	-
Total non-current assets	449,190	24	454,725	28
TOTAL	$ 1,900,604	100	$ 1,646,918	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 16)	$ 481,347	25	$ 329,701	20
Notes and trade payables	32,600	2	43,101	3
Other payables (Note 17)	47,656	3	40,766	3
Other payables from related parties (Note 25)	1,561	-	-	-
Current tax liabilities (Notes 4 and 21)	7,527	-	30,985	2
Lease liabilities - current (Notes 4 and 13)	224	-	145	-
Current portion of long-term borrowings (Note 16)	-	-	70,000	4
Other current liabilities	12,863	1	5,165	-
Total current liabilities	583,778	31	519,863	32
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 21)	5,427	-	5,317	-
Total liabilities	589,205	31	525,180	32
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 19)				
Ordinary shares	749,863	40	749,863	46
Capital surplus	24,825	1	24,825	1
Retained earnings				
Legal reserve	274,658	15	359,278	22
Special reserve	98,508	5	98,508	6
Unappropriated earnings (accumulated deficit)	253,176	13	(2,135)	-
Total retained earnings	626,342	33	455,651	28
Other equity				
Exchange differences on translating foreign operations	(89,631)	(5)	(108,601)	(7)
Total equity	1,311,399	69	1,121,738	68
TOTAL	$ 1,900,604	100	$ 1,646,918	100

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

MECHEMA CHEMICALS INTERNATIONAL CORP. AND SUBSIDIARIES

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

	2024		2023	
	Amount	**%**	**Amount**	**%**
SALES (Notes 4, 20 and 25)	$ 2,121,654	100	$ 2,316,364	100
COST OF GOODS SOLD (Notes 10, 20 and 25)	1,706,592	81	2,082,298	90
GROSS PROFIT	415,062	19	234,066	10
UNREALIZED GAIN ON TRANSACTIONS WITH JOINT VENTURES	-	-	(1,365)	-
REALIZED GAIN ON TRANSACTIONS WITH JOINT VENTURES	3,714	-	5,225	-
REALIZED GROSS PROFIT	418,776	19	237,926	10
OPERATING EXPENSES (Notes 9, 20 and 25)				
Selling and marketing expenses	65,546	3	51,250	2
General and administrative expenses	72,214	3	56,302	2
Research and development expenses	12,351	1	15,300	1
Expected credit loss recognized (reversed)	67	-	(923)	-
Total operating expenses	150,178	7	121,929	5
PROFIT FROM OPERATIONS	268,598	12	115,997	5
NON-OPERATING INCOME AND EXPENSES				
Share of profit or loss of joint ventures (Notes 4 and 11)	(16,757)	(1)	(101,706)	(4)
Interest income	3,584	-	4,087	-
Rental income (Note 25)	15,871	1	15,625	1
Other income (Note 25)	17,743	1	23,655	1
Net gain on disposal of property, plant and equipment (Note 4)	1,086	-	9	-
Net foreign exchange gain (Notes 4 and 30)	7,133	-	3,490	-
Net loss on valuation of financial assets at FVTPL (Notes 4 and 7)	-	-	(43,068)	(2)
Other gains and losses (Note 20)	(5,754)	-	(468)	-
Interest expense	(8,339)	-	(12,684)	(1)
Total non-operating income and expenses	14,567	1	(111,060)	(5)

(Continued)

MECHEMA CHEMICALS INTERNATIONAL CORP. AND SUBSIDIARIES

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

	2024		2023	
	Amount	**%**	**Amount**	**%**
PROFIT BEFORE INCOME TAX	$ 283,165	13	$ 4,937	-
INCOME TAX EXPENSE (Notes 4 and 21)	(31,248)	(1)	(29,480)	(1)
NET PROFIT (LOSS) FOR THE YEAR	251,917	12	(24,543)	(1)
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 4)	1,259	-	101	-
Items that maybe reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations (Notes 4 and 19)	18,970	1	(10,093)	-
Other comprehensive income (loss) for the year, net of income tax	20,229	1	(9,992)	-
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	$ 272,146	13	$ (34,535)	(1)
EARNINGS (LOSS) PER SHARE (Note 22)				
Basic	$ 3.36		$ (0.33)	
Diluted	$ 3.36		$ (0.33)	

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

MECHEMA CHEMICALS INTERNATIONAL CORP. AND SUBSIDIARIES

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

			Retained Earnings			Others	
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings (Accumulated Deficit)	Exchange Differences on Translating Foreign Operations	Total Equity
BALANCE AT JANUARY 1, 2023	$ 749,863	$ 24,825	$ 321,008	$ 120,578	$ 383,444	$ (98,508)	$ 1,501,210
Appropriation of 2022 earnings							
Legal reserve	-	-	38,270	-	(38,270)	-	-
Special reserve	-	-	-	(22,070)	22,070	-	-
Cash dividends distributed by the Company	-	-	-	-	(344,937)	-	(344,937)
Net loss for the year ended December 31, 2023	-	-	-	-	(24,543)	-	(24,543)
Other comprehensive loss for the year ended December 31, 2023	-	-	-	-	101	(10,093)	(9,992)
BALANCE AT DECEMBER 31, 2023	749,863	24,825	359,278	98,508	(2,135)	(108,601)	1,121,738
Legal reserve used to cover accumulated deficit	-	-	(2,135)	-	2,135	-	-
Cash dividends from the legal reserve	-	-	(82,485)	-	-	-	(82,485)
Net profit for the year ended December 31, 2024	-	-	-	-	251,917	-	251,917
Other comprehensive income for the year ended December 31, 2024	-	-	-	-	1,259	18,970	20,229
BALANCE AT DECEMBER 31, 2024	$ 749,863	$ 24,825	$ 274,658	$ 98,508	$ 253,176	$ (89,631)	$ 1,311,399

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

MECHEMA CHEMICALS INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	$ 283,165	$ 4,937
Adjustments for:		
Depreciation expense	27,346	24,919
Amortization expense	3,901	4,099
Net loss on fair value changes of financial assets at fair value through profit or loss	-	43,068
Interest expense	8,339	12,684
Gain on disposal of right-of-use assets	(1,814)	-
Interest income	(3,584)	(4,087)
Share of profit or loss of joint ventures	16,757	101,706
Gain on disposal of property, plant and equipment	(1,086)	(9)
Unrealized gain on transactions with joint ventures	-	1,365
Realized gain on transactions with joint ventures	(3,714)	(5,225)
Gain on termination of leases	-	(1)
Changes in operating assets and liabilities		
Notes and trade receivables	62,387	63,619
Trade receivables from related parties	(65,908)	190,562
Other receivables	(4,526)	32,843
Other receivables from related parties	(1,665)	3,500
Inventories	19,252	270,653
Prepayments	4,990	(15,530)
Other current assets	6,559	13,965
Defined benefit asset	(179)	(171)
Notes and trade payables	(10,501)	3,007
Other payables	6,890	(10,628)
Other payables from related parties	1,561	-
Other current liabilities	(1,142)	(492)
Cash generated from operations	347,028	734,784
Interest received	4,084	3,587
Interest paid	(7,213)	(13,214)
Income tax paid	(46,405)	(104,559)
Net cash generated from operating activities	297,494	620,598
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets measured at cost	(133,331)	(63,765)
Proceeds from sale of financial assets measured at cost	132,787	50,000
Purchases of property, plant and equipment	(5,458)	(10,690)
Proceeds from disposal of property, plant and equipment	2,653	9
Decrease in refundable deposits	524	288
Proceeds from disposal of right-of-use assets	8,996	-
Increase in long-term prepaid expenses	(2,661)	(3,705)
Increase in prepaid equipment	(33,144)	(34,348)
Net cash used in from investing activities	(29,634)	(62,211)

(Continued)

MECHEMA CHEMICALS INTERNATIONAL CORP. AND SUBSIDIARIES

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

	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	$ 151,646	$ -
Decrease in short-term borrowings	-	(459,772)
Proceeds from long-term borrowings	-	70,000
Repayments of long-term borrowings	(70,000)	-
Repayment of the principal portion of lease liabilities	(185)	(732)
Dividends paid to owners of the Company	(82,485)	(344,937)
Net cash used in financing activities	(1,024)	(735,441)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	17,270	(7,344)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	284,106	(184,398)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	182,082	366,480
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 466,188	$ 182,082

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

[Appendix 1]

Mechema Chemicals International Corp
Articles of Association

Chapter 1 General Provisions

Article 1: The Company is organized in accordance with the provisions of the Company Act on companies limited by shares, and is named Mechema Chemicals International Corp.

Article 2: The Company's business scope is as follows:

I. Production, manufacturing, trading, import and export of cobalt acetate and manganese acetate.

II. Production, trading, import and export of cobalt compounds and manganese compounds.

III. Trading and import and export of cobalt metals and manganese metals.

IV. C801010 Basic Industrial Chemical Manufacturing.

V. F107990 Wholesale of Other Chemical Products (cobalt bromide, cobalt sulfate, terephthalic acid, oxidation catalyst, manganese bromide, cobalt hydroxide, cobalt oxide, antimony compound).

VI. F207990 Retail Sale of Other Chemical Products (cobalt bromide, cobalt sulfate, terephthalic acid, oxidation catalyst, antimony compound).

VII. C802120 Industrial Catalyst Manufacturing.

VIII. F113010 Wholesale of Machinery.

IX. F213080 Retail Sale of Machinery and Equipment.

X. F207050 Retail Sale of Fertilizer.

XI. I103060 Management Consulting.

XII. C803990 Other Petroleum and Charcoal Manufacturing (Lubricating Oil).

XIII. F112040 Wholesale of Petrochemical Fuel Products.

XIV. F212050 Retail Sale of Petrochemical Fuel Products.

XV. All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Company has its head office in Taoyuan. If necessary, it may establish branch offices at home or abroad by resolution of the Board meeting.

Article 4: Deleted.

Chapter 2 Shares

Article 5: The total capital of the Company is set at NT$1 billion, divided into 100 million shares all of which are ordinary shares at NT$10 per share; the board meeting is authorized to issue them in installments.

The Company may issue employee stock option certificates, and retain 6,000,000 shares of the total number of shares referred to in the preceding paragraph as the shares for the employee stock option certificates issued.

Article 6: Deleted.

Article 7: The shares of the Company shall be issued in registered form after being signed or sealed by three or more Directors and duly certified in accordance with the law. The printing of physical stocks may be exempted. The stock affairs of the Company shall be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" promulgated by the competent authority.

Article 8: The name change and transfer of shares shall be suspended within 60 days before the annual shareholders' meeting, 30 days before the extraordinary shareholders' meeting, or five days before the ex-date of the Company's decision to distribute dividends, bonuses or other benefits.

Chapter 3 Shareholders' Meetings

Article 9: The Company's shareholders' meetings are divided into the annual shareholders' meeting and the extraordinary shareholders' meeting. The annual shareholders' meeting is convened once a year and within six months after the end of each fiscal year. The extraordinary shareholders' meeting shall be convened when necessary in accordance with the law. <u>The shareholders' meeting of the Company may be held by video conference or other means announced by the central competent authority.</u>

Article 10: If a shareholder is unable to attend the shareholders' meeting for any reason, he/she may issue a proxy form in the format printed by the Company specifying the scope of authorization and entrust a proxy to attend. In addition to the provisions of Article 177 of the Company Act, the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" promulgated by the competent authority shall apply for the shareholder's appointment of a proxy to attend the shareholders' meeting.

Article 11: The shareholders of the Company have one voting right per share; however, the restriction shall not apply to those who have no voting rights in accordance with the provisions of the Company Act and relevant laws and regulations.

Article 12: Unless otherwise provided in relevant laws and regulations, the proposal of a shareholders' meeting shall be adopted by a majority vote of the shareholders or proxies present, who represent more than half of the total number of voting shares.

Article 12-1: The resolutions of the shareholders' meeting shall be recorded into minutes and signed or stamped by the chairperson, and distributed to the shareholders within 20 days after the meeting. The Company may make a public announcement to replace the distribution of the minutes in the preceding paragraph.

Chapter 4 Directors and Audit Committee

Article 13: The Company has seven Directors, who shall be selected via a candidate nomination system by the shareholders' meeting among people with the capacity for conduct. The term of office is three years, and re-election is allowed. The total shareholding ratio of all Directors shall be in compliance with the provisions of the securities regulatory authority.

Among the Directors to be elected in the previous paragraph, the number of Independent Directors shall not be less than three, and shall not be less than one-fifth of the total number of directors. The professional qualifications, shareholding, part-time job restrictions and nomination and election methods of Independent Directors, and other matters to be observed shall be handled in accordance with the relevant regulations of the competent securities authority.

The Company shall establish an Audit Committee, which is composed of all Independent Directors. Matters relating to the number of members, term of office, powers and responsibilities and rules of procedure of the audit committee shall be separately prescribed in accordance with the relevant provisions of the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies, and in accordance with the Organizational Rules of the Audit Committee.

Since the date of the establishment of the audit committee, the Company's regulations on supervisors shall cease to apply. The term of office of the elected supervisor shall expire on the date of the establishment of the first audit committee of the Company.

Article 14: The Board of Directors shall be organized by the Directors. The Chairman shall be elected among the Directors by a majority vote in the Board meeting attended by more than two-thirds of the Directors. The Chairman shall represent the Company externally.

The convening notice of a Board meeting may be sent in writing or by email or fax to notify the Directors.

Article 15: When the Chairman asks for leave or is unable to exercise his/her powers for some reason, his/her proxy shall be handled in accordance with Article 208 of the Company Act.

Article 16: For the remuneration of the Directors, the Board meeting is authorized to determine according to the general level of the industry. If a Director of the Company concurrently holds another position at the Company, the remuneration for his/her position at the Company shall be handled by the Board meeting with the authorization of the shareholders' meeting in accordance with the internal management measures of the Company.

Chapter 5 Managers

Article 17: The Company may appoint one President, one Vice President and several managers whose appointment, removal and remuneration shall be in accordance with the provisions of Article 29 in the Company Act.

Chapter 6 Accounting

Article 18: At the end of each fiscal year, the Board of Directors shall prepare (1) a business report, (2) financial statements, and (3) a proposal for earnings distribution or loss allocation and other statements, and submit them to the annual shareholders' meeting according to law for recognition.

Article 19: If the Company makes a profit in the year, it shall allocate not less than 1% of its employees' remuneration, which shall be distributed in shares or cash by the Board resolution. The employees' remuneration referred to in the preceding paragraph, if distributed in shares, may be paid to employees of affiliated companies who meet certain conditions, and the conditions shall be determined by the Board meeting. The Company may allocate no more than 5% of the aforesaid profit as Directors' remuneration by Board resolution, and the remuneration can only be paid in cash. The employees' remuneration and Directors' remuneration shall be decided by a Board meeting with more than two-thirds of the Directors present and a majority vote of the Directors present, and the resolution shall be reported to the shareholders' meeting.

However, if the Company still has a cumulative loss, it shall reserve the amount of compensation in advance, and then allocate employees' remuneration and Directors' remuneration according to the proportion mentioned in the preceding paragraph.

Article 19-1: If the Company has any surplus in its final account of the year, it shall distribute it in the following order:

(I) Pay income tax.

(II) Compensate the cumulative loss.

(III) Appropriate 10% as the legal reserve, except when the legal reserve has reached the paid-in capital of the Company;

(IV) Appropriate or reverse the special reserve as required by laws and regulations or the provision of the competent authority.

(V) If there is still a balance, the Board of Directors shall prepare a proposal for the distribution of shareholders' dividends based on the balance and accumulated undistributed earnings, and submit it to the shareholders' meeting for resolution.

If the distribution of shareholders' dividends referred to in the preceding paragraph is in the form of cash distribution, the Board of Directors shall be authorized to make a resolution in a board meeting attended by more than two-thirds of the Directors, with the approval obtained from more than half of the Directors present. The resolution shall be reported to the shareholders' meeting.

In accordance with Article 241 of the Company Act, the Company shall distribute all or part of the legal reserve and capital surplus to the shareholders in proportion to their original shareholding ratios in shares or cash. When cash is distributed, the Board of Directors shall be authorized to make a resolution in a Board meeting attended by more than two-thirds of the Directors, with the approval obtained from more than half of the Directors present. The resolution shall be reported to the shareholders' meeting.

As the Company is in the growth stage of the enterprise's life cycle, in order to effectively grasp the appropriate investment opportunities, the Company's dividend policy will, in addition to referring to the general level of the industry, consider the future capital needs and long-term financial planning requirements for the distribution of dividends, and allocate more than 50% of the aforesaid shareholders' dividend for distribution, of which the cash dividend shall not be less than 10% of the amount distributed. However, the type and ratio of such earnings distribution may be adjusted by the resolution of the shareholders' meeting based on the actual profit and capital situation of the current year.

Chapter 7 Supplemental Provisions

Article 20: The reinvestment amount of the Company is not limited to the restriction of 40% of the total paid-in capital.

Article 21: The Company may provide endorsements and guarantees to companies that directly or indirectly hold more than 90% of the voting shares of the Company.

Article 22: Matters not covered in these Articles of Association shall be handled in accordance with the provisions of the Company Act.

Article 23: The Articles of Association were established on June 24, 1992

The first amendment was made on April 10, 1995.

The second amendment was made on May 1, 1997.

The third amendment was made on June 11, 1998.

The fourth amendment was made on December 4, 1998.

The fifth amendment was made on June 2, 1999.

The sixth amendment was made on June 9, 2000.

The seventh amendment was made on June 26, 2001.

The eighth amendment was made on May 20, 2002.

The ninth amendment was made on May 23, 2003.

The tenth amendment was made on May 18, 2004.

The eleventh amendment was made on May 16, 2005.

The twelfth amendment was made on June 15, 2006.

The thirteenth amendment was made on June 15, 2007.

The fourteenth amendment was made on June 25, 2010.

The fifteenth amendment was made on June 21, 2012.

The sixteenth amendment was made on June 24, 2016.

The seventeenth amendment was made on June 29, 2018.

The eighteenth amendment was made on June 27, 2019.

The nineteenth amendment was made on June 30, 2020.

The twentieth amendment was made on June 22, 2022.

[Appendix 2]

Mechema Chemicals International Corp.

Rules of Procedures for Shareholders' Meetings

Article 1:
In order to establish a good governance system for the shareholders' meeting of the Company, improve the supervision function and strengthen the management function, the Rules are formulated in accordance with Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies for compliance.

Article 2:
Unless otherwise provided by laws and regulations, the shareholders' meeting of the Company shall be handled in accordance with the Rules.

Article 3: (Convening and notice of shareholders' meeting)
Unless otherwise provided in laws and regulations, the shareholders' meeting of the Company shall be convened by the Board of Directors.
The change of the convening method of the shareholders' meeting of the Company shall be decided by the board meeting, and the change shall be made before the notice of the shareholders' meeting is sent at the latest.
The Company shall, 30 days before the annual shareholders' meeting or 15 days before the extraordinary shareholders' meeting, prepare an electronic file containing the notice of the shareholders' meeting, the form of the proxy form, the relevant recognition cases, discussion cases, selection or dismissal of Directors, and reasons and explanations of the proposals, and transmit it to the MOPS. The Company shall also, 21 days before the annual shareholders' meeting or 15 days before the extraordinary shareholders' meeting, prepare an electronic file containing the handbook and supplementary information of the shareholders' meeting, and transmit it to the MOPS. However, if the paid-in capital of the Company at the end of the most recent fiscal year reaches NT$10 billion, or if the total shareholding ratio of foreign and mainland capital recorded in the shareholders' register of the annual shareholders' meeting held in the most recent fiscal year reaches 30 percent, the electronic file transmission shall be completed 30 days before the annual shareholders' meeting.
15 days before the shareholders' meeting, the Company shall make available the handbook and supplementary information of the meeting for the shareholders to read at any time; the Company shall also have them displayed at the Company and the professional stock affairs agency appointed by the Company.
The Company shall, on the day of the shareholders' meeting, provide shareholders with the handbook and supplementary meeting data referred to in the preceding paragraph in the following ways:

I. When a physical shareholders' meeting is held, it shall be distributed at the shareholders' meeting site.
II. When a video-assisted shareholders' meeting is held, it shall be distributed on the site of the shareholders' meeting and transmitted to the video conference platform in electronic files.
II. When a video shareholders' meeting is held, it shall be transmitted to the video conference platform in electronic files.

The meeting notice and announcement shall state the convening reason; if agreed by the counterparty, the meeting notice may be delivered electronically.

The election or dismissal of Directors, changes to the articles of association, capital reduction, application for suspension of public offering, removal of Director's non-competition restriction, capital increase from earnings, capital increase from reserve, company dissolution, merger, division, or all circumstances in paragraph 1, Article 185 of the Company Act shall be listed under the convening reasons with a description of the main contents of the matters, and shall not be proposed as an extempore motion.
If the reason for convening the shareholders' meeting has stated a full re-election of Directors and the date of assuming office, then after the re-election is completed at the shareholders' meeting, the date of assuming office may not be further changed via an extempore motion or other means.
Any shareholder holding more than 1% of the total issued shares may submit to the company in writing a proposal for the annual shareholders' meeting. However, each such shareholder is limited to making only one proposal; otherwise, the excess proposals will not be included in the agenda. However, if the shareholder's proposals are to urge the Company to promote public interests or fulfill social responsibilities, the Board of Directors may still include them in the proposal. In addition, the Board of Directors may not list the proposal from a shareholder in case of any of the circumstances in item 4, Article 172-1 of the Company Act.
The Company shall, before the book-close date of the annual shareholders' meeting, announce the acceptance of proposals, the written or electronic method accepted, and the location and period of acceptance; the period of acceptance shall not be less than 10 days.
The proposal made by a shareholder is limited to 300 words, and those exceeding 300 words will not be included in the agenda; the proposing shareholder shall either attend the annual shareholders' meeting personally or entrust an agent to attend, and participate in the discussion of the proposal.
The Company shall notify the proposing shareholder of the results of the acceptance before the date the convening notice is sent and shall include in the meeting notice the proposals compliant with the requirements of the article. For shareholders' proposals not included in the agenda, the Board of Directors shall explain the reasons for non-inclusion.

Article 4:
At each shareholder's meeting, the shareholder may issue a proxy form in the form printed by the Company to specify the scope of authorization, sign or seal it, and entrust an agent to attend.
Each shareholder is limited to issuing one proxy form and entrusting only one person and shall have a proxy form delivered to the Company five days before the date of the shareholders' meeting. If the entrustment is repeated, the first one delivered shall prevail. However, the above does not apply if a declaration is made on the revocation of the entrustment previously delivered.
After a proxy form is delivered to the Company, if the shareholder wishes to attend the shareholders' meeting personally or wishes to exercise voting rights in written or electronic form, a notice of revocation shall be delivered to the Company in writing two days before the date of the shareholders' meeting; if a proxy form is canceled after the time limit, the voting rights exercised by the entrusted agent shall prevail.
<u>After a proxy form is delivered to the Company, if the shareholder wishes to attend the shareholders' meeting by video, a notice of revocation shall be delivered to the Company in writing two days before the date of the shareholders' meeting; if a proxy form is canceled after the time limit, the voting rights exercised by the entrusted agent shall prevail.</u>

Article 5: (Principles of the place and time of the shareholders' meeting)
The venue for a shareholders' meeting shall be in the city or county where the premises of the Company are located or a place easily accessible by shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. The opinions of Independent Directors on the place and time of the meeting shall be fully considered.
When the Company holds a video shareholders' meeting, it is not subject to the restrictions on the place of the meeting in the preceding paragraph.

Article 6: (Preparation of the signature book and other documents)
The Company shall specify in the meeting notice the time and place for accepting the registration of shareholders, solicitors and entrusted agents (hereinafter collectively referred to as shareholders) and other matters needing attention.
The time for the shareholder's registration referred to in the preceding paragraph shall be at least 30 minutes before the meeting; the registration office shall be clearly marked, and sufficient qualified personnel shall be sent to handle the registration. For a video conference of the shareholders' meeting, the acceptance of registration shall start 30 minutes before the meeting at the video conference platform of the shareholders' meeting. The shareholders who complete the registration shall be deemed to be present at the shareholders' meeting in person.

The shareholder shall attend the shareholders' meeting based on the attendance card, sign-in card or other attendance certificates. The company shall not arbitrarily add other supporting documents to the certification documents based on which the shareholders attend the meeting. The solicitor of the proxy form for attending the meeting shall carry an identity certificate for verification.

The company shall prepare a sign-in book for the attending shareholders to sign in, or the attending shareholders may submit their sign-in cards for signing in.
The Company shall deliver the meeting handbook, annual report, attendance card, speech slip, voting ballots and other meeting materials to the shareholders present at the shareholders' meeting; if there is a re-election of Directors, the electing ballots shall also be attached.
When the government or a legal person is a shareholder, the number of its representatives present at the shareholders' meeting is not limited to one. When a legal person is entrusted to attend the shareholders' meeting, only one representative may be appointed to attend.
If the shareholders' meeting is held in the form of a video conference, shareholders who wish to attend by video shall register with the Company two days before the shareholders' meeting.
If the shareholders' meeting is held in the form of a video conference, the Company shall upload the meeting handbook, annual report and other relevant materials to the video conference platform of the shareholders' meeting at least 30 minutes before the meeting, and continue to disclose them until the end of the meeting.

Article 6-1 (Matters to be included in the notice of convening a shareholders' meeting by video)

When the Company holds the shareholders' meeting in the form of a video conference, the following matters shall be specified in the notice of convening the shareholders' meeting:

I. Methods for shareholders to participate in video conferences and exercise their rights.

II. The method of dealing with obstacles caused by natural disasters, incidents or other force majeure to the video conference platform for participation in the video conference shall at least include the following:
   (I) The time of the postponed or resumed meeting due to the continuation of the obstacle before the meeting, which cannot be eliminated, and the date of the meeting to be postponed or resumed if necessary.
   (II) Shareholders who have not registered to participate in the original shareholders' meeting by video shall not participate in the postponed or resumed meeting.
   (III) If a video-assisted shareholders' meeting cannot be resumed, the shareholders' meeting shall be continued if the total number of shares present at the shareholders' meeting reaches the quorum of the shareholders' meeting after deducting the number of shares present at the shareholders' meeting by video. The number of shares present at the shareholders' meeting by video shall be counted into the total number of shareholders' shares present, and all proposals of the shareholders' meeting shall be deemed to have been waived.
   (IV) The handling method in the event that all motions have been announced, but no extempore motion has been made.

III. If the shareholders' meeting is held by video, the appropriate alternative measures shall be specified for the shareholders who have difficulty participating in the shareholders' meeting by video.

Article 7: (Chairperson of the shareholders' meeting and non-voting participants)

If the Board of Directors convenes the shareholders' meeting, the Chairman shall serve as the chairperson of the meeting. When the Chairman is on leave or unable to perform his duties for some reason, the Vice Chairman shall act as his proxy. When there is not a Vice Chairman or the Vice Chairman is also on leave or unable to perform his duties for any reason, the Chairman shall designate a Managing Director to act as his proxy. When there are no Managing Directors, a Director shall be designated as the proxy; if the Chairman does not appoint a proxy, the Managing Directors or the Directors shall elect one among themselves as the proxy.

The meeting chairperson referred to in the preceding paragraph shall be a Managing Director or Director who has served for more than six months and has knowledge of the Company's financial and business conditions. The same applies if the chairperson is the representative of a corporate Director.

At the shareholders' meeting convened by the Board of Directors, the Chairman of the Board shall personally preside over the meeting, and at least one representative of each functional committee shall attend the meeting; the attendance status shall be recorded in the minutes of the shareholders' meeting.

If the shareholders' meeting is convened by a person with the power to convene other than a member of the Board of Directors, the convener shall be the chairperson of the meeting. If there are two or more conveners, one of them shall be elected to be the chairperson.

The Company may appoint its designated lawyers, accountants or related personnel to attend the shareholders' meeting as non-voting delegates.

Article 8: (Audio or video recording of the shareholders' meeting process)
The Company shall continuously audio and video record the whole process of shareholders' registration, meeting, and vote counting from the time of accepting the registration of shareholders.
The audio and video recording shall be kept for at least one year. However, if a shareholder initiates a lawsuit in accordance with Article 189 of the Company Act, the recording shall be kept until the end of the lawsuit.

Article 9:
Attendance at shareholders' meetings shall be calculated based on the number of shares. The number of shares present shall be calculated according to the number of shares registered in the signature book or the sign-in cards submitted, plus the number of shares exercising voting rights in writing or electronically.
The chairperson shall call the meeting to order at the specified meeting time, and at the same time announce relevant information such as the number of non-voting rights and the number of shares present. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairperson may announce a meeting postponement, provided that the number of such postponements is no more than two and the total time no more than one hour. If the attending shareholders still do not represent one-third of the total number of issued shares after two postponements, the chairperson shall declare the meeting aborted.
If the quorum is still not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one-third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to paragraph 1, Article 175 of the Company Act, and all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month.
Prior to the conclusion of the meeting, if the attending shareholders represent a majority of the total number of issued shares, the chairperson may resubmit the tentative resolution for voting at the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 10: (Discussion of proposals)
If a shareholders' meeting is convened by the Board meeting, the meeting agenda shall be set by the Board meeting, and the resolutions of related motions (including extraordinary motions and amendments to original motions) shall be made on a case-by-case basis by voting. The meeting shall proceed in the order set in the agenda, which may not be changed without a resolution of the shareholders' meeting.
If the shareholders' meeting is convened by a convening party other than the Board of Directors, the provisions of the preceding paragraph shall apply.
The chairperson may not declare the meeting adjourned prior to the completion of the meeting agenda (including extraordinary motions) of the preceding two paragraphs except by a resolution of the shareholders' meeting. If the chairperson declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chairperson in accordance with statutory procedures, and then continue the meeting based on the agreement of a majority of the votes represented by the attending shareholders.
The chairperson shall allow ample opportunities during the meeting for explanation and discussion of motions and their amendments or extraordinary motions put forward by the shareholders; when the chairperson is of the opinion that a motion has been discussed sufficiently for voting, the chairperson may announce a cessation of the discussion and call for a vote, and arrange sufficient time for voting.

Article 11: (Shareholders' speeches)
Before speaking, an attending shareholder shall specify on the speaker's slip his/her speech summary, shareholder account number (or attendance card number) and account name. The order in which shareholders speak shall be set by the chairperson.
A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the contents of the speech do not correspond to the subject given on the speaker's slip, the content of the speech shall prevail.
Without the consent of the chairperson, each shareholder who speaks on the same motion shall not speak more than twice, and the speech each time shall not exceed five minutes. If the shareholder's speech violates the rules above or exceeds the scope of the agenda item, the chairperson may terminate the speech.
When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chairperson and the shareholder that has the floor; the chairperson shall stop any violations.
When a legal person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives appointed may speak on the same proposal.
After an attending shareholder has spoken, the chairperson may respond in person or direct relevant personnel to respond.

Article 12: (Calculation and avoidance system of voting shares)
The voting at shareholders' meetings shall be calculated based on the number of shares.
The shares held by shareholders with no voting rights shall not be counted in the total number of issued shares while adopting a resolution at the shareholders' meeting.
When a shareholder has personal interests in items at the meeting which may cause harmful results to the interests of the Company, he shall not participate in the voting and shall not exercise voting rights on behalf of other shareholders.
The number of shares that may not exercise voting rights referred to in the preceding paragraph shall not be counted in the number of voting rights of the shareholders present.
Except for trust enterprises or stock agencies approved by the competent securities authority, when a person acts as the proxy for two or more shareholders, the number of voting rights represented by him/her shall not exceed 3% of the total number of voting shares of the Company. Otherwise, the portion of excessive voting rights shall not be counted.

Article 13:
Each shareholder has one voting right per share, but this does not apply to those who are restricted or have no voting rights as specified in paragraph 2, Article 179 of the Company Act.
When the Company holds a shareholders' meeting, it shall have the voting rights exercised by electronic means or in writing; when the voting rights are exercised in writing or by electronic means, the exercise method shall be specified in the notice of the shareholders' meeting. The shareholders who exercise the voting rights in writing or by electronic means shall be deemed to attend the shareholders' meeting in person. However, for extempore motions and amendments to the original motions of the shareholders' meeting, such shareholders shall be deemed to have waived their voting rights. Therefore, the Company should avoid the proposal of extempore motions or amendments to the original motions.
If the voting rights are exercised in writing or by electronic means, as in the preceding paragraph, the intention of the said expression shall be delivered to the Company two days before the shareholders' meeting. If the intention is repeated, the first one delivered shall prevail. However, the above does not apply if a declaration is made on the revocation of the intention previously delivered.

After the shareholder exercises the voting right in writing <u>or by electronic means</u>, if he wants to attend the shareholders' meeting in person or by video, he shall make a revocation of the intention previously delivered in the same manner as the revocation of the voting intention in the previous paragraph two days before the shareholders' meeting; if the revocation is made after the deadline, the voting right exercised in writing or by electronic means shall prevail. If the voting right is exercised in writing or by electronic means and the agent entrusted via a proxy form is present at the shareholders' meeting, the voting right of the entrusted agent shall prevail.

Unless otherwise provided by law or the Company's Articles of Association, a proposal shall be approved with the consent of more than half of the voting rights of the shareholders present. When voting, the chairperson or its designated person shall announce the total number of voting rights of the shareholders present, and the shareholders shall vote on a proposal-by-proposal basis. The results of shareholders' consent, objection and waiver shall be entered into the MOPS on the day after the shareholders' meeting.

When there is an amendment or replacement to a proposal, the chairperson shall determine the order of voting together with that of the original proposal. If one of the proposals is approved, the other proposals shall be deemed to be rejected, and no more voting shall be needed.

The persons who supervise and calculate the votes on proposals shall be appointed by the chairperson, but the vote supervisor shall have the status of shareholder.

The counting of voting or election results at the shareholders' meeting shall be conducted in a public place in the shareholders' meeting. After the counting is completed, the voting results shall be announced on the spot, including the statistical weights, and be recorded.

<u>If the Company holds the shareholders' meeting in the form of a video conference, after the chairperson calls the meeting to order, the shareholders participating by video shall vote on various proposals and election proposals through the video conference platform, and shall complete the voting before the chairperson announces the end of the voting. If the voting is delayed, they shall be deemed to have abstained.</u>

<u>If the shareholders' meeting is convened in the form of a video conference, the votes shall be counted in one go after the chairperson announces the end of voting, and the voting and election results shall be announced.</u>

<u>When the Company holds the video-assisted shareholders' meeting, the shareholders who have registered to attend the shareholders' meeting by video in accordance with Article 6 and want to attend the physical shareholders' meeting in person shall cancel the registration in the same way as for the registration two days before the shareholders' meeting; if the cancellation is overdue, the shareholders' meeting can only be attended by video.</u>

<u>Those who exercise their voting rights in writing or by electronic means, have not withdrawn their expression of intention, and have participated in the shareholders' meeting by video shall not exercise their voting rights on, except for temporary motions, the original motion or propose amendments to the original motion, or exercise their voting rights on the amendments to the original motion.</u>

Article 14: (Election)

When there is an election of Directors at the shareholders' meeting, it shall be handled in accordance with the relevant election rules prescribed by the Company, and the election results shall be announced on the spot, including the list of elected Directors and their number of voting rights, and the list of candidates not elected and their number of voting rights.

The ballots for the election referred to in the preceding paragraph shall be sealed and signed by the monitoring personnel and properly kept for at least one year. However, if a shareholder initiates a lawsuit in accordance with Article 189 of the Company Act, the recording shall be kept until the end of the lawsuit.

Article 15:
The resolutions of the shareholders' meeting shall be recorded in the meeting minutes, signed or sealed by the chairperson, and distributed to the shareholders within 20 days after the meeting. The production and distribution of the shareholders' meeting minutes may be conducted by electronic means.
For the distribution of the shareholders' meeting minutes, the Company may make a public announcement by entering the information on the MOPS.
The minutes shall be taken in the order of the date, place, name of the chairperson, resolution method, essentials of the proceedings and voting results (including the number of voting rights), and the number of voting rights received by each candidate shall be disclosed when there is an election of Directors and supervisors. The minutes shall be kept permanently during the existence of the Company.
<u>If the shareholders' meeting is held in the form of a video conference, in addition to the items required to be recorded in accordance with the preceding paragraph, the minutes shall record the start and end time of the shareholders' meeting, the method of holding the meeting, the name of the chairperson and the recorder, appropriate alternative measures provided to shareholders who have difficulties in participating in the shareholders' meeting by video, and the handling methods and results in case of obstacles to the video conference platform or participation by video due to any natural disaster, incident or other force majeure.</u>
<u>If convening a shareholders' meeting in the form of a video conference, the Company shall, in addition to the provisions of the preceding paragraph, specify in the minutes the alternative measures provided to shareholders who have difficulties in participating in the shareholders' meeting by video.</u>

Article 16: (Public announcements)
The Company shall clearly disclose in the meeting venue and in the prescribed format the number of shares acquired by solicitors, the number of shares represented by entrusted agents <u>and the number of shares of shareholders attending in writing or electronically on the day of the meeting. If the shareholders' meeting is held by video conference, the Company shall upload the information above to the video conference platform for the shareholders' meeting at least 30 minutes before the meeting, and continue to disclose it until the end of the meeting.</u>
<u>When the shareholders' meeting is held in the form of a video conference, the Company shall disclose on the video conference platform the number of shareholders' rights present when the meeting is called to order. The same applies if there are other statistics on the total number of shares held by the shareholders present and the number of voting rights.</u>
If the resolution of the shareholders' meeting contains any material information stipulated by law and provided by the Taiwan Stock Exchange Co., Ltd. (or the Taipei Exchange), the Company shall transmit the contents to the MOPS before the specified deadline.

Article 17: (Maintenance of the order of the venue)
The meeting affair staff of the shareholders' meeting shall wear identification cards or armbands.
The chairperson may command the picket or security personnel to assist in maintaining the order of the meeting venue. When assisting in maintaining order, the picket or security personnel shall wear an armband or identification card with the word "picket."
If sound amplification equipment is available at the meeting venue, the chairperson may stop shareholders from speaking if they speak on equipment not prepared by the Company.
If a shareholder violates the rules of procedure and fails to comply with the chairperson's correction, and hinders the meeting from proceeding, the chairperson may direct the picker or the security personnel to ask him to leave the meeting venue.

Article 18: (Break and meeting resumption)

When the meeting is in progress, the chairperson may announce a break at his discretion. In case of force majeure, the chairperson may rule to suspend the meeting and announce the time for continuation of the meeting as the case may be.

Before the conclusion of the proceedings (including extempore motions) scheduled for the shareholders' meeting, if the venue for the meeting cannot continue to be used, another venue may be found to continue the meeting upon the resolution of the shareholders.

The shareholders' meeting may, in accordance with Article 182 of the Company Act, decide to postpone or renew the meeting within five days.

Article 19: (Information disclosure of video conference)

If the shareholders' meeting is held in the form of a video conference, the Company shall immediately disclose the voting results of various proposals and election results on the video conference platform of the shareholders' meeting after the voting is completed, and shall continue to disclose them for at least 15 minutes after the chairperson announces the adjournment of the meeting.

Article 20: (Location of the chairperson and minute taker of the video shareholders' meeting)

If the Company holds the shareholders' meeting in the form of a video conference, the chairperson and the recorders shall be in the same place in Taiwan, and the chairperson shall announce the address of the place at the meeting.

Article 21: (Handling of signal interruption)

Where the shareholders' meeting is held by video, the Company may provide a simple connection test for shareholders before the meeting, and provide relevant services immediately before and during the meeting to assist in handling technical problems of communication.

If the shareholders' meeting is held in the form of a video conference, the chairperson shall, when calling the meeting to order, announce that there is no need to postpone or continue the meeting per paragraph 4, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies. Before the chairperson announces the adjournment of the meeting, if there is any obstacle to the video conference platform or participation by video for more than 30 minutes due to any natural disaster, incident or other force majeure, the provisions of Article 182 of the Company Act shall not apply if the meeting should be postponed or resumed within five days.

In the event of a postponed or resumed meeting referred to in the preceding paragraph, shareholders who have not registered to participate in the original shareholders' meeting by video shall not participate in the postponed or resumed meeting.

If the meeting should be postponed or resumed in accordance with paragraph 2, for the shareholders who have registered to participate in the original shareholders' meeting by video and have completed their registration but have not participated in the postponed or resumed meeting, their number of shares present, voting rights and election rights exercised at the original shareholders' meeting shall be included in the total number of shares, voting rights and election rights of shareholders attending the postponed or resumed meeting.

When handling the postponed or resumed shareholders' meeting in accordance with paragraph 2, there is no need to re-discuss and adopt resolutions on the proposals for which the voting and vote counting have been completed, and the voting results or the list of elected Directors and supervisors has been announced.

When the Company holds a video-assisted shareholders' meeting, and it is impossible to resume the video meeting in paragraph 2, if the total number of shares present at the shareholders' meeting by video still meets the quorum of the shareholders' meeting after deducting the number of shares present at the shareholders' meeting by video, the shareholders' meeting shall continue without postponing or resuming the meeting in accordance with paragraph 2.
In the event that the meeting should be continued in accordance with the preceding paragraph, the number of shares represented by shareholders participating in the shareholders' meeting by video shall be included in the total number of shares represented by shareholders, but such shares shall be deemed to have abstained from all proposals at the shareholders' meeting.
When the Company postpones or resumes the meeting in accordance with paragraph 2, relevant pre-processing operations shall be handled in accordance with the provisions of paragraph 7 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies and in accordance with the date of the original shareholders' meeting and the various provisions of the same Article.
During the periods specified in the latter paragraph of Article 12 and paragraph 3 of Article 13 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and paragraph 2 of Article 44-5, Article 44-15, and paragraph 1 of article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall postpone or resume the date of the shareholders' meeting in accordance with paragraph 2 above.

Article 22: (Handling of digital gap)
When the Company holds the shareholders' meeting in the form of a video conference, it shall provide appropriate alternative measures for shareholders who have difficulties attending the shareholders' meeting via video.

Article 23:
The Rules and any amendments hereto shall be implemented after adoption by the shareholders' meeting. The same procedure applies to the revision.

Article 24:
The Rules were established on April 26, 1999.
The first amendment was made on May 20, 2002.
The second amendment was made on June 15, 2006.
The third amendment was made on June 24, 2016.
The fourth amendment was made on June 30, 2020.
The fifth amendment was made on June 28, 2021.
The sixth amendment was made on June 22, 2022.

[Appendix 3]

Mechema Chemicals International Corp.
The Number of Shares Held by All Directors and the Minimum Number of Shares to be Held

I. The legally required shareholding percentage and number of shares for the 12th session of Directors is as follows:

The number of ordinary shares issued by the Company is	74,986,304 shares
The percentage of shares that shall be held by all Directors as required by law	8%
The number of shares that shall be held by all Directors as required by law	**5,998,904** shares

II. The number of shares held by all Directors as of April 28, the book-closing date for the 2025 annual shareholders' meeting, is as follows:

Title	Name	Number of shares held	Shareholding percentage (%)	Remarks
Chairman	Lung-Tsai Yen	8,086,725	10.78%	Note 1
Director	Wen-Chi Yen	591,276	0.79%	
Director	Guoo-Kuang Yeh	386,000	0.51%	
Independent Director	Kao-Chin Wang	0	0%	
Independent Director	Meng-Shiou Lee	0	0%	
Independent Director	Shen-Yuan Chen	0	0%	
Independent Director	Chou Wei-Chun	0	0%	
Number and percentage of shares held by all Directors		9,064,001	12. 09%	Note 1

Note1: The shares of Chairman Lung-Tsai Yen, including 2,000,000 shares in a trust, belong to the shares entrusted with the reserved right of use.