

Stock Code :
2033

CHIA TA WORLD CO.,LTD.

Reference Materials for Various Proposals the 2025 Annual Meeting of Shareholders

MEETING TIME: 9:00 A.M. on Friday, June 20, 2025

PLACE: Meeting Room No 1. in No 1. Factory in Yongkang (No. 2, Yongyun 5th Road, Yongkang District, Tainan City 710, Taiwan (R.O.C.))

Ratification Items

1.

Proposal: 2024 Business Report and Financial Statements (Proposed by the Board)

Explanation:

- I. The business report and financial reports has been resolved by the Board on March 6th, 2025. The financial reports have been sealed by the chairman, manager and accounting supervisor. The independent auditor's report has been issued by Independent Accountant CHANG, TAI-YUAN and CHANG, MEI-JUNG in NAN TAI UNITED CPAs. (Please refer to page 18 to 25 in the attachment) The operating reports and financial reports have been submitted to the Audit Committee for review.
- II. The International Auditing and Assurance Standards Board (IAASB) revised the audit report and related bulletins in January 2015. Listed companies have applied the standards starting from the 2016 annual financial statements. The accountants must communicate with the company and disclose "Key Audit Matters (KAM)."
- III. For the 2024 financial report, the key audit matters identified by the accountants include: inventory valuation, impairment of property, plant and equipment, and impairment of investment property. The Company intends to provide supplementary explanation on the aforementioned matters. Please refer to page 18 to 19 in the attachment.
- IV. Due to insufficient number of independent directors to convene the Audit Committee, the resolution was approved with the consent of more than two-thirds of all directors in accordance with Article 14-5 of the Securities and Exchange Act.
- V. Adopted.

Resolution:

2.

Proposal: 2024 Earnings Distribution Proposal (Proposed by the Board)

Explanation :

- I. In accordance with Article 30-1 of the Company's Articles of Incorporation, if there is any surplus after the Company closes its books each year, such surplus shall first be used to pay the profit-seeking enterprise income tax in accordance with laws and to offset prior years' losses. Then 10% of the remaining amount shall be appropriated as legal reserve. However, if the legal reserve has reached the Company's total capital, this requirement shall not apply. After setting aside or reversing special reserve in accordance with laws and regulations, the remaining earnings, together with the undistributed earnings from the previous year, shall be distributed at a ratio between 50% and 95%. The distribution ratio may be adjusted by a resolution of the shareholders' meeting based on the Company's actual profitability and capital needs for the year.
- II. The net income after tax of the Company for 2024 is NT\$15,721,546. The distributable earnings amount to NT\$38,174,802. After appropriating 10% of the earnings, or NT\$3,823,014, as legal reserve, the Company proposes to distribute a cash dividend of NT\$0.2 per share, totaling NT\$16,138,907.
- III. Cash dividends shall be calculated by rounding down to the nearest dollar. The total amount of such unallocated fractional dividends shall be recorded as other income of the Company. It is proposed that the Chairman be authorized by the Board to determine the ex-dividend date, payment date, and other relevant matters. In the event of any change in the total number of outstanding shares due to capital adjustment, the Chairman shall also be authorized to handle all related matters accordingly.
- IV. Since the number of independent directors is insufficient to convene an Audit Committee, in accordance with Article 14-5 of the Securities and Exchange Act, this matter shall be approved by at least two-thirds of all directors.

V. Adopted.

Chia Ta World Limited Corporation
Statement of Earnings Distribution



2024

(Unit: NTD\$)

Items	Total
Unappropriated retained earnings of prior years	(1,527,829)
Add: 2024 net profit (loss) after tax	15,721,546
Other Comprehensive income (Remeasurements of Defined benefit plans)	1,996,257
Disposal of equity instruments measured at fair value through other comprehensive income	21,984,828
Earnings available for distribution	38,174,802
Distributable items:	
Less: Accrued statutory reserves	
Shareholders' Dividend – Cash Dividend of NT\$0.2 per Share	(3,817,480)
	(16,138,907)
Earnings yet to be distributed	18,218,415

Chairman: WU,TA-HO Manager: CHEN,ZHENG-PING Accounting Supervisor: WANG,QIU-YUE

Chairman: WU,TA-HO



Manager: CHEN,ZHENG-PING



Accounting Supervisor: WANG,QIU-YUE



Resolution:

Discussion Items

Proposal: Amendments for Certain Articles of the Company's Articles of Association
(Proposed by the Board of Directors)

Explanation:

- I. Amendment to Article 30 with the addition of the revision date.
- II. Enclosed is a table comparing the articles of the company's articles of association before and after the revision.
- III. Please proceed to discuss.

Articles after amendments made	Articles before amendments made	Description
<p>Article 30 If the Company records a profit during a financial year, it shall:</p> <ol style="list-style-type: none"> Allocate 1% to 5% of such profit as employee compensation; and Allocate no more than 5% of such profit as directors' remuneration. <p>However, in case of the accumulated losses, certain profits shall first be reserved to cover them. <u>Of the aforementioned employee compensation, no less than 0.5% shall be allocated to grassroots employees.</u> The employee compensation mentioned in the preceding paragraph may be distributed in the form of stock or cash, and the recipients may include employees of the Company's subsidiaries who meet the criteria established by the Board of Directors. The remuneration for the aforementioned directors can only be paid in cash.</p>	<p>Article 30 If the Company records a profit during a financial year, it shall:</p> <ol style="list-style-type: none"> Allocate 1% to 5% of such profit as employee compensation; and Allocate no more than 5% of such profit as directors' remuneration. <p>However, in case of the accumulated losses, certain profits shall first be reserved to cover them.</p> <p>The employee compensation mentioned in the preceding paragraph may be distributed in the form of stock or cash, and the recipients may include employees of the Company's subsidiaries who meet the criteria established by the Board of Directors. The remuneration for the aforementioned directors can only be paid in cash.</p>	<p>Amendment to Article 14, Paragraph 6 of the Securities and Exchange Act</p>
<p>Article 33 Established on April 8, 1973. The 1st amendment was made on April 5, 1976. The 32nd amendment was made on June, 20,2024. <u>The 33rd amendment was made on June, 20,2025.</u></p>	<p>Article 33 Established on April 8, 1973. The 1st amendment was made on April 5, 1976. The 32nd amendment was made on June, 20,2024.</p>	<p>Addition of the Revision Date</p>

Resolution:

Election Items

Proposal: Proposal for the By-election of an Independent Director of the Company. (Proposed by the Board of Directors)

Explanation:

- I. The Company's independent directors, Hu Jinlian and Wang Juntao, were dismissed on July 16, 2024, due to non-compliance with the "Regulations Governing the Appointment of Independent Directors for Public Companies." In accordance with Article 18 of the Company's Articles of Incorporation and Article 26-3 of the Securities and Exchange Act, it is proposed that two independent director seats be elected at this year's annual shareholders' meeting.
- II. The term of the newly elected directors will begin on June 20, 2025, and end on June 19, 2027, to complete the remaining term of the original directors.
- III. The list of director candidates was approved by the Company's Board of Directors on May 8, 2024. The list of director candidates was approved by the Board of Directors of the Company on May 8, 2025. The relevant information is as follows:

Category	Name	Educational Background	Experience	Number of Share Holdings
Independent Director	CHEN, YAN-SHUO	Soochow University, Department of Business Administration	Accounting Director, Dongxiahui Logistics Co., Ltd. Deputy Director of Cost Accounting, Dongyou Technology Co., Ltd.	0
Independent Director	HSIA, YI-TING	Master of Science in Finance, Lancaster University	Auditor, PricewaterhouseCoopers (PwC) Internal Audit Manager, Advanced Micro Devices (AMD)	0

Voting Results:

Other Matters

Proposal: Release of Non-compete clause on Newly Appointed Directors (Proposed by the Board of Directors)

Explanation:

- I. In accordance with Article 209 of the Company Act, directors engaging in activities for themselves or others within the scope of the company's business shall explain the significant content of their actions at the shareholders' meeting and obtain their consent. I. In accordance with Article 209 of the Company Act, directors engaging in activities for themselves or others within the scope of the company's business shall explain the significant content of their actions at the shareholders' meeting and obtain their consent. It is proposed to seek shareholders' consent to lift the non-competition restriction for the newly appointed directors.
- II. Pursuant to legal requirements, the proposal will be submitted for discussion at the shareholders' meeting, where further clarification on the scope and content of the activities will be provided before the meeting.

Resolution: