



彰源企業股份有限公司 FROCH ENTERPRISE CO., LTD.

Froch Enterprise Co., Ltd for the 2024 Annual Shareholders Meeting

One. Meeting Agenda

Time: 9:00 am, June 12, 2024 (Thursday).

Venue: No. 7, Dougong 10th Road (Douliu Industrial Park Service Center), Tou-Liu City,
Yun-Lin County.

Two. Reports

Motion 1

Subject: Report on 2023 business performance; as presented.

Explanatory Notes: Please refer to Appendix 1 of this handbook for the business report.

Motion 2

Subject: Audit Committee's review of the 2023 year-end accounts, as presented.

Explanatory Notes: Please refer to Appendix 2 of this handbook for Audit Committee's review report.

Motion 3

Subject: Report on the allocation of 2023 employee and director remuneration, as presented.

Explanatory Notes: Please refer to Appendix 4 of this handbook for Allocation of 2023 Employee and Director Remuneration.

Motion 4

Subject: Report on the allocation of 2023 cash dividends; as presented.

Explanatory Notes:

1. It is based on Article 38-1 of the Company's "Articles of Incorporation", authorizing the board of directors to make a resolution to distribute all or part of the dividends and bonuses in cash and report to the shareholders' meeting.
2. It is proposed to distribute a cash dividend of NT\$ 0.50 per share, totaling NT\$ 140,263,014. Upon completion of the shareholders' meeting, the board of directors is authorized to establish a cash dividend distribution basis and other related matters. On the distribution date of cash dividends (distributed up to NTD, rounded down below NTD), the total amount of odd amounts distributed less than NT\$ 1 shall be included in the

Company's other income.

3. When the Company's relevant equity interests change and affect its total number of outstanding shares, it shall propose to the shareholders' meeting for authorizing the board of directors to adjust the shareholders' dividend distribution ratio based on the Company's number of outstanding shares on the dividend distribution date, in accordance with the total amount of surplus proposed to be distributed for ordinary shares as determined by the resolution of the present case.

Motion 5

Subject: Report on the amendment of the Company's "The Charter of the Audit Committee ", as presented.

Explanatory Notes: Please refer to Appendix 5 of this handbook for Comparison Table of Existing and Revised "The Charter of the Audit Committee".

Three. Ratifications

Motion 1

(Proposed by the board of directors)

Subject: Ratification of the 2023 business report and year-end accounts, as presented.

Explanatory Notes: 1. The Company has finished preparation of its 2023 year-end accounts including Business Report, individual financial statements and consolidated financial statements. All above statements have been audited by certified public accountants and reviewed by the Audit Committee, and are hereby presented for ratification in shareholders' meeting.

2. Please refer to Appendices 1, 2, and 3 of this handbook for the Business Report, the Audit Committee's Review Report, and the aforementioned financial statements, respectively.

Resolution:

Motion 2

(Proposed by the board of directors)

Subject: Ratification of the Company's 2023 earnings appropriation, as presented.

Explanatory Notes: 1. Please refer to Appendix 6 of this handbook for the 2023 earnings appropriation chart.

Resolution:

Four. Other Business and Special Motions

Five. Adjournment

Froch Enterprise Co., Ltd.

Comparison Table of Existing and Revised “Charter of Audit Committee”

Article number	Existing Article	Amended Article	Description
Article 5	<p>Except for the functions and powers specified in Article 14-4, Paragraph 4 of the Securities and Exchange Act, the functions and powers of supervisors shall be exercised by the committee.</p> <p>The provisions of Article 14-4, Paragraph 4 of the Securities and Exchange Act regarding the behavior of a supervisor as the Company’s representative in relation to the Company Act shall apply to the independent directors of the Committee.</p>	<p>The provisions of the Securities and Exchange Act, the Company Act and other laws <u>regarding supervisors shall apply to the Audit Committee.</u></p> <p><u>The provisions on the powers of supervisors in Article 14-4, Paragraph 4 of the Company Act shall apply to the independent directors of the Audit Committee.</u></p> <p><u>The resolutions of the Audit Committee shall be approved by more than one-half of all the members of the Audit Committee; the Audit Committee’s convener shall represent the Audit Committee to the public.</u></p> <p><u>The Company’s representatives specified in Article 213, Article 214, and Article 223 of the Company Act shall be elected by the Audit Committee in accordance with the procedure referred to in the preceding paragraph.</u></p> <p><u>The Audit Committee may resolve to have members appointed either individually or jointly. If a representative is not elected in accordance with the procedure referred to in the preceding paragraph, the members shall be considered joint representatives.</u></p> <p><u>All members referred to in these Regulations shall be counted as the actual incumbents.</u></p>	Amended to conform with regulatory amendment(s)

Article number	Existing Article	Amended Article	Description
Article 6	<p>The functions and powers of the Committee are as follows:</p> <p>I. Establishing or amending the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.</p> <p>II. Evaluation of the effectiveness of the internal control system.</p> <p>III. Establishment or amendment of the Procedures for the Acquisition or Disposal of Assets, Engagement in Derivative Transactions, Loaning of Funds to Others, Endorsement or Guarantee for Others in accordance with Article 36-1 of the Securities and Exchange Act.</p> <p>IV. Matters involving the interests of directors themselves.</p> <p>V. Major asset or derivative trade.</p> <p>VI. Material loans, endorsements, or guarantees.</p> <p>VII. Offering, issuance or private placement of equity-type securities.</p> <p>VIII. Appointment, dismissal or remuneration of CPAs.</p> <p>IX. The appointment or dismissal of the head of finance, accounting or internal audit.</p> <p>X. Annual and semi-annual financial reports.</p> <p>XI. Other important matters as required by the Company or the competent authority. (Skipped hereunder)</p>	<p>The functions and powers of the Committee are as follows:</p> <p>I. Establishing or amending the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.</p> <p>II. Evaluation of the effectiveness of the internal control system.</p> <p>III. Establishment or amendment of the Procedures for the Acquisition or Disposal of Assets, Engagement in Derivative Transactions, Loaning of Funds to Others, Endorsement or Guarantee for Others in accordance with Article 36-1 of the Securities and Exchange Act.</p> <p>IV. Matters involving the interests of directors themselves.</p> <p>V. Major asset or derivative trade.</p> <p>VI. Material loans, endorsements, or guarantees.</p> <p>VII. Offering, issuance or private placement of equity-type securities.</p> <p>VIII. Appointment, dismissal or remuneration of CPAs.</p> <p>IX. The appointment or dismissal of the head of finance, accounting or internal audit.</p> <p>X. Annual financial statements <u>signed or sealed by the chairman, managerial officers and accounting supervisor, and the second quarter</u> financial statements audited and attested by CPAs.</p> <p>XI. Other important matters as required by the Company or</p>	Amended to conform with regulatory amendment(s)

Article number	Existing Article	Amended Article	Description
		the competent authority. (Skipped hereunder)	
Article 7	<p>The Audit Committee meeting shall convene at least once per quarter, and it shall be clearly stated in the Audit Committee Charter.</p> <p>The reason for convening the Audit Committee meeting shall be specified and notified to each independent director seven days in advance. This does not apply in case of emergency.</p> <p>The convener and chairperson of the Audit Committee meeting shall be elected by all the members from among themselves. When the convener is on leave or is unable to convene a meeting for any reason, the convener shall designate an independent director to act in place of the convener. If the appointment of a proxy is not made, the Directors shall elect from among themselves one person to serve as their deputy.</p>	<p>The Audit Committee meeting shall convene at least once per quarter, and it shall be clearly stated in the Audit Committee Charter.</p> <p>The reason for convening the Audit Committee meeting shall be specified and notified to each independent director seven days in advance. This does not apply in case of emergency. <u>Audit Committee Meetings shall be held at the Company's location and office hours or at a place and time that is convenient for Audit Committee members and is suitable for Audit Committee meetings.</u></p> <p>The convener and chairperson of the Audit Committee meeting shall be elected from among the members of the Audit Committee. <u>However, if the members of the Audit Committee cannot elect the convener, the independent director who received the ballots representing the highest number of voting rights shall act as the convener.</u></p> <p>When the convener is on leave or is unable to convene a meeting for any reason, the convener shall designate an independent director to act in place of the convener. If the appointment of a proxy is not made, the Directors shall elect from among themselves one person to serve as their deputy. <u>Independent directors, who constitute more than half of all audit committee members, may request the convener to convene</u></p>	Amended to conform with regulatory amendment(s)

Article number	Existing Article	Amended Article	Description
	(Skipped hereunder)	<u>the audit committee meeting by stating in writing the matters proposed and the reasons therefor. If the convener fails to convene the meeting of the audit committee within 15 days after requesting the meeting, the independent directors who comprise more than one-half of the members of the audit committee may convene the meeting on their own initiative.</u> (Skipped hereunder)	
Article 8-1		<u>If less than half of the Audit Committee members are present at the scheduled meeting time, the chairperson may announce a postponement of the meeting on the same day. The number of postponements is limited to two. If the quorum is still insufficient after two postponements, the chair may convene a new meeting in accordance with Article 7, Paragraph 2.</u>	Amended to conform with regulatory amendment(s)
Article 8-2		<u>The Audit Committee shall proceed in accordance with the agenda scheduled in the meeting notice. However, it may be changed if approved by more than one-half of the members of the Audit Committee. The chairman shall not declare the meeting adjourned without the consent of more than one-half of all the members of the audit committee.</u> <u>During an audit committee meeting, if less than half of the Audit Committee members are present, the chairperson shall suspend the meeting on a motion from the independent directors present. The preceding Article shall apply.</u> <u>If the convener is unable to chair the meeting during the Audit Committee meeting or the chair</u>	Amended to conform with regulatory amendment(s)

Article number	Existing Article	Amended Article	Description
		<u>does not adjourn the meeting in accordance with the provisions of paragraph 2, the provisions of paragraph 5 of Article 7 shall apply to the election of its proxy.</u>	
Article 11	<p>Independent directors of the Committee shall explain the important content of the stake in the agenda of the meeting. If it is harmful to the interest of the Company, they shall not participate in the discussion and voting, and shall recuse themselves during the discussion and voting. They are not allowed to exercise voting rights on behalf of other independent directors.</p> <p>If the Committee is unable to make a resolution due to the preceding paragraph, the Committee shall report to the Board of Directors for resolution. (Skipped hereunder)</p>	<p>Independent directors of the Committee shall explain the important content of the stake in the agenda of the meeting. If it is harmful to the interest of the Company, they shall not participate in the discussion and voting, and shall recuse themselves during the discussion and voting. They are not allowed to exercise voting rights on behalf of other independent directors.</p> <p><u>If an independent director's spouse or blood relative within the second degree of kinship has an interest in an item referred to in the preceding paragraph, it shall be deemed that the independent director has a conflict of interest in the matter.</u></p> <p>If the Committee is unable to make a decision due to the <u>first paragraph</u>, the Committee shall report to the Board of Directors for a resolution. (Skipped hereunder)</p>	Amended to conform with regulatory amendment(s)