

DIMERCO EXPRESS CORPORATION
2025 ANNUAL SHAREHOLDERS' MEETING MINUTES

Time: June 5th, 2025, Thursday 09:00 am

Venue : Grand Mayfull Hotel (No.55, Lequn 2nd Rd., Zhongshan Dist., Taipei 10462, Taiwan.)

Total outstanding Dimerco Shares (excluding non-voting shares according to article 179 of the Company Act): 140,744,000 shares

Total shares represented by shareholders present in person or by proxy: 84,593,886 shares

Percentage of shares held by shareholders present in person or by proxy: 60.10 %

Chairman: Ms. Chien, Wen-Li

Directors present: Mr. Shih, Cheng-Sheng, Mr. Chiou, Jiun-Rung, Mr. Peng, Shi-Xiao

Independent directors present: Mr. Chien, Yin-Fan, Mr. Ho, Chi-Ming, Mr. Chu, Chia-Cheng

Minutes taker: Ms. Laura Chen

I. Meeting Commencement Announcement:

The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairman called the meeting to order.

II. Chairman's Address (omitted)

III. Management Presentations:

1. Annual Business Report of year 2024 (See Appendix I).
2. Audit Committee's Audited Report of year 2024 (See Appendix II).
3. Report of Compensation of Directors and Employees for 2024 (See 2025 Annual Shareholders' Meeting Agenda).
4. Report of cash dividends for 2024 (See 2025 Annual Shareholders' Meeting Agenda).
5. Report of the establishment of "Code of Ethical Conduct" (See 2025 Annual Shareholders' Meeting Agenda).
6. Report of the establishment of "Code of Ethical Corporate Management Best Practice Principles" (See 2025 Annual Shareholders' Meeting Agenda).
7. Report of the Establishment of "Procedures for Ethical Management and Guidelines for Conduct" (See 2025 Annual Shareholders' Meeting Agenda).

IV. Matters for Acknowledgement

1. First proposal: Proposed by the Board of Directors

Topic : Adoption of the 2024 Business Report and Financial Statements

Explanation : (1) The financial report and consolidated financial report for the year of 2024, including balance sheets, statements of comprehensive income, statements of changes in shareholders' equity, statements of cash flows, consolidated balance sheets, consolidated statements of comprehensive income, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows, were audited by independent auditors, Ms. Phyllis Chang and Ms. Lydia Huang of KPMG, whereby an unqualified audit report was issued, and together with business report were submitted to supervisors for inspection, for your kind acknowledgement.

(2) Please refer to APPENDIX I and APPENDIX III.

Resolution : Share represent at the time of voting: 84,593,886.

	Voting Results	% of the total represented share present
Votes in Favor	80,220,891	94.83%
Votes in against	62,574	0.07%
Votes invalid	0	0.00%
Votes abstained	4,310,421	5.10%

RESOLVED, that the 2024 Business Report and Financial Statements was hereby accepted as proposed.

2. Second proposal: Proposed by the Board of Directors

Topic : Adoption of the proposal for distribution for 2024 profits

Explanation :

- (1) Profit distribution of year 2024 to shareholders is proposed to be distributed from year 2024 profit after setting aside provision for legal reserve.
- (2) According to the Profit distribution of year 2024, each common shareholder would be entitled to receive a cash dividend of NTD 5.2 per share. Based on the current outstanding shares, Dimerco would distribute a total of NTD 731,868,800 cash dividend.
- (3) The Board of directors is authorized to determine an ex-dividend date after profit distribution of year 2024 is proposed and adopted. The cash dividend will be distributed by shareholding ratio and would be rounded up to NTD 1 dollars. The fractional amounts that are below NTD 1 dollar after rounded will be accounted for under the shareholders' equity.
- (4) In the event that, the company outstanding shares or the profit distributions are affected by a buyback of shares, issuance of new shares for transferring treasury shares to employees, an equity conversion in connection with domestic convertible corporate bonds or other convertible securities, employee stock options, or any transfer, transformation, or termination of stocks, it authorized the Board of Directors to adjust the cash to be distributed to each share based on the number of actual shares outstanding on the record date for distribution.
- (5) Please refer to the Statement of Profit Distribution of Year 2024 as follows:

Dimerco Express Corporation

Statement of Profit Distribution of Year 2024

Unit : NTD

Item	Amount	Remark
	Subtotal	
Beginning Balance of Unappropriated Retained earnings	2,209,589,122	
Add:		
Share of Profit of Associates Accounted for Using Equity Method	(68,496)	
Changes in Actuarial gains and losses	4,652,927	
Beginning Balance of Unappropriated Retained earnings after Adjustments	2,214,173,553	
Add:		
2024 Net profit after tax	954,806,686	
Available Retained Earnings for Distribution	3,168,980,239	
Deduct:		
10% Legal reserve	(95,939,112)	
Special reserve	0	
Available Retained Earnings for Distribution after deduct 10% Legal reserve	3,073,041,127	
Items for distribution:		
Shareholder dividends - Stocks		
Shareholder dividends - Cash	731,868,800	
Ending Balance of Unappropriated earnings:	2,341,172,327	

Remark:

1. The Board of directors is authorized to determine the base date for distribution of cash dividends.
2. The shareholders' meeting is requested to authorize the Chairman of the Board to proportionally adjust the dividend per share based on the number of outstanding shares on the ex-dividend date if the total number of outstanding shares of the Company is affected by the repurchase of the Company's shares, the

transfer of treasury shares to employees or other factors, resulting in a change in the cash dividend per share.

Resolution: Share represent at the time of voting: 84,593,886

	Voting Results	% of the total represented share present
Votes in Favor	80,869,093	95.59%
Votes in against	47,031	0.06%
Votes invalid	0	0.00%
Votes abstained	3,677,762	4.35%

RESOLVED, that the above proposal was hereby accepted as proposed.

V. Matters for Discussion:

First Proposal: Proposed by the Board of Directors

Topic: Amendment to the “Articles of Incorporation”

Explanation :

(1) In accordance with the interpretation set forth in Letter No. 1130385442 issued by the Financial Supervisory Commission, and the supplementary provisions of Article 14, Paragraph 6 of the Securities and Exchange Act, companies whose shares are listed on the stock exchange or traded over-the-counter are required to stipulate in their Articles of Incorporation the allocation of a certain percentage of annual earnings for adjusting salaries or distributing compensation to grassroots employees. Accordingly, Article 23 of the Company's Articles of Incorporation has been amended to comply with the aforementioned requirements.

(2) The comparison table of the amended provisions of the Articles of Incorporation is as follows:

Amended Provisions	Current Provisions	Notes
<p>Article 23</p> <p>If the Company generates profit in a given fiscal year (profit refers to pre-tax earnings before the deduction of employee compensation and director remuneration), it shall allocate no less than 5% of such profit for employee compensation and no more than 5% for director remuneration. However, if the Company has accumulated losses (including adjustments to undistributed earnings), such losses shall be covered in advance.</p> <p>Of the amount allocated for employee compensation in the preceding paragraph, no less than 0.3% shall be designated for salary adjustments or compensation</p>	<p>Article 23</p> <p>If the Company generates profit in a given fiscal year (profit refers to pre-tax earnings before the deduction of employee compensation and director remuneration), it shall allocate no less than 5% of such profit for employee compensation and no more than 5% for director remuneration. However, if the Company has accumulated losses (including adjustments to undistributed earnings), such losses shall be covered in advance.</p> <p>Employee compensation may be distributed in the form of stock or cash, and the recipients may include employees of controlled or affiliated companies who meet certain criteria. Director remuneration shall be</p>	<p>Amended in response to Article 14, Paragraph 6 of the Securities and Exchange Act."</p>

distributions to grassroots employees. Employee compensation mentioned above may be distributed in the form of stock or cash, and may include employees of controlled or affiliated companies who meet certain criteria. Director remuneration shall be distributed in cash only.	distributed in cash only.	
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Resolution: Share represent at the time of voting: 84,593,886

	Voting Results	% of the total represented share present
Votes in Favor	80,819,666	95.53%
Votes in against	71,791	0.08%
Votes invalid	0	0.00%
Votes abstained	3,702,429	4.39%

RESOLVED, that the above proposal was hereby approved as proposed.

Second Proposal: Proposed by the Board of Directors

Topic: Amendment to the “Operational Procedures for Loaning of Company Funds”.

Explanation :

- (1) In accordance with Letter No. 1140200203 dated January 23, 2025, issued by the Taipei Exchange (TPEX), and in line with practical considerations and relevant regulations, the Company proposes to amend its 'Procedures for Lending Funds to Others'.
- (2) Where a subsidiary of the Company intends to lend funds to others, the procedures that, under the 'Regulations Governing the Loaning of Funds and Making of Endorsements/Guarantees by Public Companies,' require a resolution by the subsidiary's Board of Directors, may instead be fulfilled by submitting the matter to the parent company's Board of Directors for resolution.
- (3) The revised 'Procedures for Lending Funds to Others' is attached for reference refer to ATTACHMENT V.

Resolution: Share represent at the time of voting: 84,593,886

	Voting Results	% of the total represented share present
Votes in Favor	69,449,629	82.09%
Votes in against	11,405,074	13.48%
Votes invalid	0	0.00%
Votes abstained	3,739,183	4.43%

RESOLVED, that the above proposal was hereby approved as proposed.

VI. Extraordinary Motions

There being no other business and special motion, upon a motion duly made and seconded, the meeting was adjourned.

VII. Meeting end time: 9:30 a.m., June 5th 2025

APPENDIX I

1. Reports to Shareholders / Business Report

Dear Shareholders,

On behalf of the company's Board of Directors, Chairman, and the entire management team, we would like to express our sincere gratitude to every one of our shareholders for your long-term support of Dimerco Express Group during our promising development of Dimerco Express Group and for sparing your time to participate in the Y2025 shareholders meeting.

As per the KPMG audited Financial Statement, the consolidated financial report of Y2024 Consolidated sales revenue of Y2024 is NT\$28.94 billion, representing an increase of 31.3% compared to the previous year. The after-tax net profit was NT\$950 million, a decrease of 6.7% from the previous year, and the earnings per share were NT\$6.78, a decline of 6.3% compared to the previous year.

The international transportation and logistics market in the Y2024 is full of challenges. The Russia-Ukraine war, the Red Sea crisis, and geopolitical conflicts in the Middle East not only affect regional stability but also lead to fluctuations and increases in freight rates. These events have a significant impact on the route planning of airlines and shipping companies, as well as the transportation capacity of goods, causing major difficulties. Facing these global changes and the ever-changing market, the challenges are multiplied, and the operational risks are also greatly increased.

However, the physical channels and virtual digital platforms built by Dimerco offer integrated professional services that bridge the real and digital worlds, with a clear market positioning. Through strategic differentiation and regionalization in key niche markets, the long-established competitive advantage of over 150 physical channels has proven effective. At the same time, Dimerco is committed to technological and digital transformation, with its cloud-based digital supply chain management platform, the Dimerco Value Plus System® (with cybersecurity certification), providing services across the international logistics value chain. Additionally, the semi-automated solutions create efficiencies, increase productivity, and enhance services, solving problems and creating value for customers. This has led to significant customer recognition. Through digital marketing, Dimerco also promotes its value-added services in customer supply chain management, strengthening its business expansion capabilities. Despite the challenges in the international transportation and logistics market in the Y2024, including fluctuations and increases in freight rates, Dimerco was still able to achieve substantial profitability.

In addition to strengthening profitability, Dimerco has long prioritized customer quality, carefully selecting high-quality clients and effectively managing accounts receivable. Through excellent financial management, the company is committed to maintaining a solid financial structure. As of December 31, 2024, the current ratio is 268%, significantly outperforming the industry average, demonstrating exceptional liquidity and debt repayment capacity. Meanwhile, fixed assets accounted for only 8.7% of shareholders' equity or net assets, reflecting the flexibility and adaptability of a light-asset logistics service provider. Furthermore, total liabilities accounted for just 33.4% of total assets, indicating a very healthy and stable financial structure.

Looking to the future, although the international transportation and logistics market remains full of challenges due to factors such as U.S. tariff policies, the Russia-Ukraine war, the Red Sea crisis, and geopolitical conflicts in the Middle East, the competitive advantage of Dimerco's physical channels and virtual digital platforms will continue to be effective. With clear market positioning, Dimerco will drive its value-added services in customer supply chain management through digital marketing, strengthening its business expansion capabilities. Through digital transformation, semi-automation to create efficiencies, increased productivity, and improved service quality, Dimerco is committed to continuing to generate profit and contribute to society, while providing reasonable returns to shareholders and dedicated employees. Thank you to all shareholders for your support.

Dimerco Express Corporation

Dimerco Express Group

June 5, 2025

Other Business information:

(1) Results of Business plan implementation

Unit: NTD'000			
Item	IFRS 2023	IFRS 2024	Growth %
Sales Revenue	22,042,684	28,947,367	31.3%
Net Profit After Tax	1,023,630	954,807	-6.7%

(2) Status of Budget Accomplishment

The company was not obligated to prepare financial forecast for year 2024 in accordance to the "Standards on treatment guidelines for disclosure of financial forecast information on public companies".

(3) Analysis on financial balances and profitability

Unit: NTD'000

Item \ Year		IFRS 2023	IFRS 2024
Financial Balances	Sales Revenue	22,042,684	28,947,367
	Net Operating Profit	1,081,336	1,011,261
	Net Profit After Tax	1,023,630	954,807
Profitability	Return on Equity %	18%	15%
	Ratio of net profit after tax on paid-in capital %	72%	67%
	Retroactive adjusted earnings per share (NTD)	7.24	6.78

(4) Status of Research and Development:

Dimerco's digital marketing starts with understanding customer needs and insights into the market to drive all marketing activities. It leverages technology support through data, automation, and analysis, and accelerates decision-making through the agility of a flattened organization structure. Digital marketing works closely with our global sales and marketing team, investing significant and optimal resources to attract, convert, and engage customers through a seamless integration of online and offline services.

Customer expectations for service quality continue to evolve with the rapid development of digital technology and diversified shipping options. The importance of digital strategy will continue to increase during and after the COVID-19 period.

Our company has increased its efforts in digital marketing and launched a brand new global website in 2021. The website clearly communicates our value proposition and reflects the company's strengths and management capabilities across the Asia-Pacific region's supply chain.

In terms of digitalization, our company introduced the Dimerco Value Plus System® (Web 2.0), a self-developed value-added messaging system, on August 1, 2009. The system created a unified platform for sales, operations, and financial management, and enabled effective management through a real-time information system. The CYM (Consolidation Yield Management) and Data Synchronization Method used in the Dimerco Value Plus System® were respectively awarded patent certifications in the United States and Taiwan in 2014, marking the official transition of our company from the digitization stage to the digitalization stage of technology in 2009.

During the stage of digitalization, our company focused on three main directions - cloudification, mobilization, and intelligence - to optimize our internal and external processes through digital technology.

In the area of cloudification, our company incorporated cloud technology in 2017 by migrating the Dimerco Value Plus System® to a public cloud and establishing a hybrid cloud architecture in conjunction with the construction of a private cloud. This approach provided a balance between stability, flexibility, and cost-effectiveness.

In 2018, we established a mobile technology team to develop mobile applications and complemented this with RPA robot technology to extend our service coverage. In the latter half of 2021, we completed the renovation of our external digital portal, offering a one-stop information service that includes online inquiries, booking, cargo tracking, and goods receipt and delivery. This development enables us to offer comprehensive digital services to our customers.

In terms of intellectualization, our company accumulates data in a private cloud-based big data database and utilizes business intelligence technology for analysis, providing real-time and flexible information support. Since 2018, we have also begun to introduce artificial intelligence and machine learning, developing real-time recommendations to give operational processes more intelligence and improve accuracy and efficiency.

Regarding information security issues, given the increasing frequency of security incidents, our company started investing in information security management system in 2017 to ensure the security of our customers' valuable data assets. We approached it from three aspects: People, Process, and Technology, to enhance the overall security resilience. In early 2021, we successfully passed the BSI audit and obtained the ISO 27001:2013 (IS 743553) certification. Later that same year, we also passed the NIST CSF (Cybersecurity Framework) NIST 759307 verification.

Through our self-developed technology, we tightly integrate data/information flows with our information security management system, and further combine with our strategic partners to serve our customers, strengthen service quality, create added value, and effectively help our customers enhance the overall efficiency of supply chain management.

Feature highlights

- **Supply Chain Orientation**

Integrates sales activity, operations, accounting, and financial management across the Supply Chain in the transportation and logistics industry for management efficiency and customer service excellence.

- **Web 3.0 based collaboration on Cloud Networking with Applications**

Eases deployment, connectivity, accessibility, ensures high performance and service reliability, as well as reduces carbon footprint by taking advantage of energy efficient technology.

- **Resilience in information security:**

Equipped with a complete information security management system mechanism, ensuring the high availability of system services.

- **Business Intelligence**

Centralizes the data control mechanism to improve data quality, with dynamic and flexible analysis reporting tool for customizable reports.

- **Automation**

Preserves natural resources by reducing paperwork through the automation of integrated work flow and processes across the Supply Chain.

- **Customer Focused**

Collaboration Service Platform as well as Data Integration capabilities for seamless connectivity with our esteemed customers.

Dimerco Value Plus System®15861 is an integrated e-commerce Service platform and real-time global information system provided by Dimerco. Currently, the integrated system includes five information platforms, eight functional modules, six extended management systems, and one big data database. Through this system, not only can the company's operational performance be improved, but it can also assist customers in supply chain management to reduce their operating costs and improve efficiency.

1 System

One Integrated Transportation & Logistics Service Management System

5 Platforms

Operation Platform, Service Platform, Cloud Network Platform, Cyber Security Platform and Development Platform

8 Operation Modules

- eSAM - Sales Activities Management System
- eCall Freight System- Trucking Management System
- eAMS - Air Freight Management System
- eOMS - Ocean Freight Management System
- eWMS - Logistics Warehouse Management System
- eRMS - Railway Freight Management System for Cross-Border Train Freight (CBTF)
- eDAS - Domestic Air Freight Management System
- eFMS - Finance & Accounting Management System

6 Supplementary Functions

- eRate - Rate Query System
- CYM - Consolidation Yield Management System (Patent No. I 505230 (TW) & Patent No. US 8,694,440 B2)
- DYM - De-Consolidation Yield Management System
- 3PS - Triangle Trade & 3rd Party Billing Management System
- CBS - Customs Brokerage Management System
- ACS - Automated Centralized Settlement

1 Big Data Bank

Enabled By Data Synchronization Method (Patent No. I 439873 (TW) &
Patent No. US 8,850,074 B2)

APPENDIX II

Dimerco Express Corporation

Audit Committee's Audited Report

Year 2024 company's annual business report, financial statements, consolidated financial statements and Proposal of Distribution of 2024 Profits made up by Board of Directors and financial statements, consolidated financial statements and Proposal of Distribution of 2024 Profits have been audited by KPMG. The above-mentioned annual business report, financial statements, consolidated financial statements and Proposal of Distribution of 2024 Profits have been audited by the Audit Committee without inconsistency in accordance to Securities and Exchange Act and Company Act.

DIMERCO EXPRESS CORPORATION
2025 ANNUAL SHAREHOLDERS' MEETING

Audit Committee Chairman: Bill Chien
March 12, 2025

APPENDIX III

Independent Auditors' Report

To the Board of Directors of DIMERCO EXPRESS CORPORATION:

Opinion

We have audited the financial statements of DIMERCO EXPRESS CORPORATION (the "Company"), which comprise the balance sheet as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, (including a Summary of material accounting policies).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and 2023 and its financial performance and its cash flows for the year ended December 31, 2024 and 2023 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 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 of our opinion.

Key audit matters

Key audit matters refer to the most vital matters in our audit of the parent company only financial statements of the DIMERCO EXPRESS CORPORATION for the year ended December 31, 2024, based on our professional judgment. These matters were addressed in our audit of the parent company only financial statements as a whole, and in forming our audit opinion. We do not express a separate opinion on these matters. Key audit matters of the consolidated financial statements of the Company are stated as follows:

1. Revenue Recognition

Please refer to Note 4(13) "Revenue and cost recognition" for related accounting policy, and Note 6(13) Revenue disclosure for contractual revenue.

Description of key audit matters:

DIMERCO EXPRESS CORPORATION's revenue is mainly generated from providing contractual air freight forwarding services. It is recognized as current income when the goods are sent to ship based on the delivery contract with the price determined. As the time at which the goods are shipped is variant based on each contract, the management of the Company determines the time at which revenue is recognized under different operating conditions. We, therefore, list the item as a key audit matter.

Audit procedures:

Our principal audit procedure and communication through auditing instructions sent to associated CPAs are as follows:

- Conduct tests to its internal control system for revenue recognition to ensure the efficacy of the system;
- Sample monthly transaction records from top 10 customers and sales details for the entire year to evaluate authenticity of the transaction, accuracy of transaction amounts and reasonableness of recognition timing;
- Obtain sales transaction records for certain period from the computer system to verify the completeness of recognition cycle;
- Compare sampled bills of lading from airline companies and data compiled by the Company to verify if the corresponding transactions have entered to the computer system;
- Test sales records for transactions completed during a certain period before and after the reporting date to verify the appropriateness for the timing of revenue recognition;

2. Cost estimate

Please refer to Note 4(13) "Revenue and cost recognition" for related accounting policy on cost estimation, and Note 6(14) for detailed cost disclosure.

Description of key audit matters:

DIMERCO EXPRESS CORPORATION's local and international air transportation costs contain identifying risks involving completeness of and accuracy of amounts. We, therefore, list the item as a key audit matter.

Audit procedures:

Our principal audit procedure and communication through auditing instructions sent to associated CPAs are as follows:

- Conduct tests to its internal control system for cost recognition to ensure the efficacy of the system;
- Sample monthly transaction records from top 10 customers and sales details for the entire year to verify whether relevant costs are listed with reasonableness and followed by corresponding revenue recognition;
- Send confirmation letters to verify accounts payable at the end of the period. For transactions with airline companies of significant balance, sample the actual payments made during a certain period after the reporting date to evaluate the reasonableness of cost estimation for the period;
- Examine statement of related-party transactions to evaluate whether the payables to overseas subsidiaries for services have reasonably listed in the statement;
- Test sampled cost records for sales transactions completed during a certain period before and after the reporting date to verify the appropriateness for the timing of cost recognition.

Responsibilities of the management and the governing bodies for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Regulation Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the parent company only financial statements, the management is responsible for assessing the ability of the DIMERCO EXPRESS CORPORATION in continuing as a going concern, disclosing relevant matters, and adopting the going concern basis of accounting unless the management intends to liquidate the DIMERCO EXPRESS CORPORATION or cease the operations without other viable alternatives.

The corporate governance unit (including the Audit Committee) of the Company is responsible for supervising the procedures of financial reporting.

Auditor's responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance on whether the parent company only financial statements as a whole are free from material misstatement arising from fraud or error and to issue an independent auditors' report. Reasonable assurance is a high-level assurance but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement when it exists. Misstatement may arise from frauds or errors. If the amounts of misstatements, either separately or in aggregate, could reasonably be expected to influence the economic decisions of the users of the parent company only financial statements, they are considered material.

1. Identified and assessed the risks of material misstatement arising from fraud or error within the parent company only financial statements; designed and executed countermeasures in response to said risks, and obtained sufficient and appropriate audit evidence to provide a basis for our opinion. Fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Therefore, the risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error.
2. Understood the internal control related to the audit in order to design appropriate audit procedures under the circumstances, while not for the purpose of expressing an opinion on the effectiveness of the DIMERCO EXPRESS CORPORATION's internal control.
3. Evaluated the appropriateness of accounting policies adopted and the reasonableness of accounting estimates and relevant disclosures made by the management.
4. Concluded on the appropriateness of the management's adoption of the going concern basis of accounting based on the audit evidence obtained and whether a material uncertainty exists for events or conditions that may cast significant doubt over the DIMERCO EXPRESS CORPORATION's ability to continue as a going concern. If we are of the opinion that a material uncertainty exists, we shall remind users of the parent company only financial statements to pay attention to relevant disclosures in said statements within our audit report. If such disclosures are inadequate, we need to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the DIMERCO EXPRESS CORPORATION to cease to continue as a going concern.
5. Evaluated the overall presentation, structure, and content of the parent company only financial

statements (including relevant notes), and whether the parent company only financial statements adequately present the relevant transactions and events.

6. Obtain sufficient and appropriate audit evidence regarding the financial information on entities accounted for using the equity method to express an opinion on the parent only financial statement. We were responsible for guiding, supervising, and performing the audit and forming an audit opinion about the DIMERCO EXPRESS CORPORATION.

The matters communicated between us and the governing bodies included the planned scope and times of the audit and material audit findings (including any material defects in internal control identified during the audit).

We also provided the governing bodies with a declaration that we have complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China regarding independence and communicated with them all relations and other matters that may possibly be regarded as detrimental to our independence (including relevant protective measures).

From the matters communicated with the governing bodies, we determined the key audit matters for the audit of the DIMERCO EXPRESS CORPORATION's parent company only financial statements for the year ended December 31, 2024. We have clearly indicated such matters in the auditors' report. Unless legal regulations prohibit the public disclosure of specific matters, or in extremely rare cases, where we decided not to communicate over specific items in the auditors' report for it could be reasonably anticipated that the negative effects of such disclosure would be greater than the public interest it brings forth.

KPMG Taiwan

Chang, Chun-Yi

CPA:

Huang, Tsai-Chuan

Competent Security Authority : Jin-Guan-Zheng-Shen-Zi No. 1050036075
Approval Document No. : Jin-Guan-Zheng-Shen-Zi No. 1140131922
March 12, 2025

For the Years Ended December 31, 2024 and 2023⁽²⁾

		2024.12.31 ⁽¹⁾		2023.12.31 ⁽¹⁾		2024.12.31 ⁽¹⁾		2023.12.31 ⁽¹⁾	
		Amount ⁽¹⁾	% ⁽²⁾	Amount ⁽¹⁾	% ⁽²⁾	Amount ⁽¹⁾	% ⁽²⁾	Amount ⁽¹⁾	% ⁽²⁾
Assets⁽¹⁾						Liabilities and equity⁽¹⁾			
Current assets:⁽³⁾						Current liabilities:⁽³⁾			
1100 ⁽¹⁾	Cash and cash equivalents (Note 6(1)) ⁽¹⁾	\$ 214,414	2	282,288	2	2100 ⁽¹⁾	Short-term borrowings (Note 6 (6)) ⁽¹⁾	\$ 180,000	2
1150 ⁽¹⁾	Notes receivable, net (Note 6(2) and (13)) ⁽¹⁾	632	-	6,191	-	2150 ⁽¹⁾	Notes payable (including related parties) (Note 7) ⁽¹⁾	15,665	-
1170 ⁽¹⁾	Accounts receivable (Note 6(2) and (13)) ⁽¹⁾	254,725	2	155,491	1	2170 ⁽¹⁾	Accounts payable ⁽¹⁾	45,171	-
1180 ⁽¹⁾	Accounts receivable - related parties, net (Notes 6(2), (13) and 7) ⁽¹⁾	75,773	1	69,163	1	2180 ⁽¹⁾	Accounts payable - related parties (Note 7) ⁽¹⁾	137,564	1
1210 ⁽¹⁾	Other receivables - related parties (Note 7) ⁽¹⁾	170,535	1	204,939	2	2219 ⁽¹⁾	Other payables (Note 6 (15)) ⁽¹⁾	137,933	1
1470 ⁽¹⁾	Other current assets ⁽¹⁾	7,333	-	7,876	-	2216 ⁽¹⁾	Dividends payable (Note 6 (10)) ⁽¹⁾	34,946	-
Total current assets⁽¹⁾		723,412	6	725,948	6	2230 ⁽¹⁾	Income tax payable ⁽¹⁾	21,174	1
Non-current assets:⁽³⁾						2280 ⁽¹⁾	Lease liabilities - current (Note 6(7)) ⁽¹⁾	4,358	-
1520 ⁽¹⁾	Financial assets at fair value through other comprehensive income - Non-current ⁽¹⁾	390	-	390	-	2310 ⁽¹⁾	Advance receipts (Note 7) ⁽¹⁾	104,896	1
1550 ⁽¹⁾	Investments using the equity method (Note 6(3)) ⁽¹⁾	11,885,480	93	10,604,735	92	2399 ⁽¹⁾	Other current liabilities ⁽¹⁾	2,480	-
1600 ⁽¹⁾	Property, plant and equipment (Note 6(4)) ⁽¹⁾	185,765	1	186,386	2	Total current liabilities⁽¹⁾			
1755 ⁽¹⁾	Right-of-use assets (Note 6(5) and (7)) ⁽¹⁾	5,548	-	6,849	-	684,187 5 621,746 5			
1780 ⁽¹⁾	Intangible assets ⁽¹⁾	436	-	38	-	Non-current liabilities:⁽¹⁾			
1840 ⁽¹⁾	Deferred income tax assets (Note 6(9)) ⁽¹⁾	1,015	-	1,649	-	2570 ⁽¹⁾	Deferred income tax liabilities (Note 6(9)) ⁽¹⁾	5,987	-
1920 ⁽¹⁾	Refundable deposits ⁽¹⁾	5,642	-	5,649	-	2580 ⁽¹⁾	Non-current lease liabilities (Note 6(7)) ⁽¹⁾	1,219	-
1975 ⁽¹⁾	Net defined benefit assets- non-current (Note 6(8)) ⁽¹⁾	5,930	-	-	-	2622 ⁽¹⁾	Long-term payable - related parties ⁽¹⁾	298,913	2
1990 ⁽¹⁾	Other non-current assets (Note 8 and 9) ⁽¹⁾	3,660	-	3,660	-	2640 ⁽¹⁾	Net defined benefit liabilities (Note 6(8)) ⁽¹⁾	-	-
Total non-current assets⁽¹⁾		12,093,866	94	10,809,356	94	2645 ⁽¹⁾	Guarantee deposits received ⁽¹⁾	133	-
						2670 ⁽¹⁾	Other non-current liabilities (Note 7) ⁽¹⁾	5,468,618	43
						Total Non-current liabilities⁽¹⁾			
						5,774,870 45 5,077,521 44			
						Total liabilities⁽¹⁾			
						6,459,057 50 5,699,267 49			
						Equity (Note 6(3), (5), (10) and (11))⁽¹⁾			
						3100 ⁽¹⁾	Common stocks ⁽¹⁾	1,428,840	11
						3200 ⁽¹⁾	Capital surplus ⁽¹⁾	62,234	-
						3300 ⁽¹⁾	Retained earnings ⁽¹⁾		
						3310 ⁽¹⁾	Legal reserve ⁽¹⁾	1,090,383	9
						3350 ⁽¹⁾	Unappropriated retained earnings ⁽¹⁾	3,168,980	25
						3400 ⁽¹⁾	Other equity ⁽¹⁾	4,259,363	34
						3410 ⁽¹⁾	Foreign currency translation differences for foreign operations ⁽¹⁾	789,636	6
						3500 ⁽¹⁾	Treasury stocks ⁽¹⁾	(181,852)	(1)
						Total equity⁽¹⁾			
						6,358,221 50 5,836,037 51			
Total assets⁽¹⁾		\$ 12,817,278	100	\$ 11,535,304	100	Total liabilities and equity⁽¹⁾			
						\$ 12,817,278 100 11,535,304 1			

Accounting Manager: Chen, Ching-Chi²

Chairman: Chien, Wen-Li²

DIMERCO EXPRESS CORPORATION
Statements of Comprehensive Income
For the Years Ended December 31, 2024 and 2023

Unit: NT\$ thousand

		2024		2023	
		Amount	%	Amount	%
4000	Operating revenue (Notes 6(13) and 7)	\$ 1,252,923	100	1,285,060	100
5000	Operating costs (Note 6(14))	1,051,398	84	1,061,677	83
5900	Gross profit from operations	201,525	16	223,383	17
6000	Operating expenses (Note 6(2), (4), (5), (7), (8), (11), (15) and 7)				
6100	Selling expenses	78,746	6	83,211	6
6200	Administrative expenses	59,174	5	98,308	8
6450	Expected credit loss (gain on reversal) for bad debt provision	619	-	(3,506)	-
	Total operating expenses	138,539	11	178,013	14
6900	Net operating income	62,986	5	45,370	3
7000	Non-operating income and expense (Notes 6(3), (7), (16) and 7):				
7100	Interest income	3,120	-	6,752	1
7010	Other income	204,122	16	198,565	15
7020	Other gains and losses	22,542	2	3,259	-
7050	Financial costs	(3,197)	-	(5,454)	-
7070	Share of profit or loss of subsidiary & associates accounted for using equity method	718,892	57	893,854	70
	Total non-operating income and expenses	945,479	75	1,096,976	86
7900	Profit from continuing operations before tax	1,008,465	80	1,142,346	89
7951	Less: Income tax expenses (Note 6(9))	53,658	4	118,716	9
8200	Net income for the period	954,807	76	1,023,630	80
8300	Other comprehensive income (Note 6(3), (8) and (10)):				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains on remeasurements of defined benefit plans	4,653	-	224	-
8330	Share of other comprehensive income (loss) of subsidiaries and associates accounted for using the equity method	(69)	-	325	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will not be reclassified to profit or loss	4,584	-	549	-
8360	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	256,561	21	10,916	1
8380	Share of other comprehensive income (loss) of subsidiaries and associates accounted for using the equity method	323,168	26	21,402	2
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss	579,729	47	32,318	3
8300	Other comprehensive income	584,313	47	32,867	3
8500	Total comprehensive income	<u>\$ 1,539,120</u>	<u>123</u>	<u>1,056,497</u>	<u>83</u>
	Earnings per share (unit: NT\$) (Note 6(12))				
9750	Basic earnings per share	<u>\$ 6.78</u>		<u>7.24</u>	
9850	Diluted earnings per share	<u>\$ 6.74</u>		<u>7.18</u>	

Chairman: Chien, Wen-Li General Manager: Chiu, Chun-Jung Accounting Manager: Chen, Ching-Chi

Statements of Changes in Equity
For the Years Ended December 31, 2024 and 2023

Unit: NTS thousand

	Retained earnings						Exchange differences on the translation of financial statements of foreign operations	Treasury stocks	Total equity
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total			
Balance at January 1, 2023	\$ 1,360,800	19,362	733,290	557,281	3,353,782	4,644,353	177,589	(201,000)	6,001,104
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	254,675	-	(254,675)	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(1,456,056)	(1,456,056)	-	-	(1,456,056)
Stock dividends of ordinary share	68,040	-	-	-	(68,040)	(68,040)	-	-	-
Reversal of special reserve	-	-	-	(557,281)	557,281	-	-	-	-
Net income	-	-	-	-	1,023,630	1,023,630	-	-	1,023,630
Other comprehensive income	-	-	-	-	549	549	32,318	-	32,867
Total comprehensive income	-	-	-	-	1,024,179	1,024,179	32,318	-	1,056,497
Changes in ownership interests in subsidiaries	-	(3,350)	-	-	-	-	-	-	(3,350)
Treasury shares transferred to employees	-	46,046	-	-	-	-	-	191,620	237,666
Gain on disgorgement	-	176	-	-	-	-	-	-	176
Balance at December 31, 2023	1,428,840	62,234	987,965	-	3,156,471	4,144,436	209,907	(9,380)	5,836,037
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	102,418	-	(102,418)	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(844,464)	(844,464)	-	-	(844,464)
Net income	-	-	-	-	954,807	954,807	-	-	954,807
Other comprehensive income	-	-	-	-	4,584	4,584	579,729	-	584,313
Total comprehensive income	-	-	-	-	959,391	959,391	579,729	-	1,539,120
Acquisition of treasury share	-	-	-	-	-	-	-	(172,472)	(172,472)
Balance at December 31, 2024	\$ 1,428,840	62,234	1,090,383	-	3,168,980	4,259,363	789,636	(181,852)	6,358,221

(Please see accompany notes to financial statements)

Chairman: Chien, Wen-Li

General Manager: Chiu, Chun-Jung

Accounting Manager: Chen, Ching-Chi

DIMERCO EXPRESS CORPORATION
Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023

Unit: NTS thousand

	2024	2023
Cash flows from (used in) operating activities:		
Net income before tax	\$ 1,008,465	1,142,346
Adjustments:		
Adjustments to reconcile profit and loss:		
Depreciation expense	10,409	9,125
Amortization expense	119	345
Expected credit losses (gain on reversal) for bad debt provision	619	(3,506)
Interest expense	3,197	5,454
Interest income	(3,120)	(6,752)
Dividend income	(98)	(206)
Share of profit of associates accounted for using the equity method	(718,892)	(893,854)
Leasehold modification gain	(6)	(21)
Compensation cost arising from treasury shares transferred to employees	-	43,186
Total adjustments to reconcile profit and loss	(707,772)	(846,229)
Changes in operating assets and liabilities:		
Net changes in operating assets:		
Notes receivable	5,559	982
Accounts receivable	(99,853)	148,095
Accounts receivable - related parties	(6,610)	21,182
Other receivables - related parties	34,404	24,327
Other current assets	543	477
Net defined benefit asset	(3,168)	-
Total changes in operating assets, net	(69,125)	195,063
Net changes in operating liabilities:		
Notes payable	(26,106)	25,221
Accounts payable	20,767	(8,512)
Accounts payable - related parties	95,456	(84,336)
Other payables	13,250	(235,125)
Other payables - related parties	-	(948)
Other current liabilities	(809)	(3,803)
Net defined benefit liability	-	(2,908)
Total changes in operating liabilities, net	102,558	(310,411)
Total changes in operating assets and liabilities, net	33,433	(115,348)
Total adjustments	(674,339)	(961,577)
Cash inflow generated from operations	334,126	180,769
Interest received	3,120	6,752
Dividends received	98	206
Interest paid	(3,078)	(5,454)
Income tax paid	(106,146)	(122,881)
Net cash flows from operating activities	228,120	59,392
Cash flow from investing activities:		
Acquisition of investment accounted for using the equity method	(17,861)	-
Acquisition of intangible assets	(517)	(182)
Acquisition of property, plant and equipment	(3,138)	(1,867)
Decrease in Guarantee deposits paid	7	618
Dividend income received from investments using equity methods	28,062	88,622
Net cash from investing activities	6,553	87,191
Cash flows from financing activities:		
Increase in short-term borrowings	-	1,407,218
Decrease in short-term borrowings	-	(1,657,218)
Increase (decrease) in guarantee deposits received	18	(2)
Increase in other payables - related parties	73,792	-
Payments of lease liabilities	(6,649)	(5,496)
Increase in other non-current liabilities	625,235	1,440,975
Cash dividends paid	(822,471)	(1,463,768)
Payments to acquire treasury shares	(172,472)	-
Treasury shares transferred to employees	-	194,480
Other financing activities	-	(217)
Net cash flows used in financing activities	(302,547)	(84,028)
Net decrease in cash and cash equivalents	(67,874)	62,555
Cash and cash equivalents at beginning of period	282,288	219,733
Cash and cash equivalents at end of period	\$ 214,414	282,288

(Please see accompany notes to financial statements)

Chairman: Chien, Wen-Li

General Manager: Chiu, Chun-Jung

Accounting Manager: Chen, Ching-Chi

Representation Letter

The entities that are required to be included in the consolidated financial statements of Dimerco Express Corporation as of and for the year ended December 31, 2024 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10 "Consolidated Financial Statements" endorsed by the Financial Supervisory Commission. In addition, the information required to be disclosed in the consolidated financial statements is included in the consolidated financial statements. Consequently, Dimerco Express Corporation and Subsidiaries do not prepare a separate set of consolidated financial statements.

Company name: Dimerco Express Corporation

Chairman: Chien Wen-Li

Date: March 12, 2025



安侯建業聯合會計師事務所
KPMG

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Independent Auditor's Report

To the Board of Directors of Dimerco Express Corporation:

Opinion

We have audited the consolidated financial statements of Dimerco Express Corporation and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, 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 a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 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 with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("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 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 of our opinion.

Other Matter

Dimerco Express Corporation has prepared its parent-company-only financial statements as of and for the years ended December 31, 2024 and 2023, on which we have issued an unqualified opinion.

KPMG, a Taiwan partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

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 of the current period. 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. Based on our judgment, the key audit matters that should be disclosed in this auditor's report are as follows:

1. Revenue recognition

Please refer to note 4(m) "revenue and cost recognition" for accounting policy related to revenue and cost recognition, and note 6(p) for the disclosure related to revenue of the consolidated financial statements.

Description of key audit matter:

The Group mainly generates revenue from providing service of air freight and ocean freight forwarding. Revenue is recognized when the goods are consigned for transportation based on each shipping term and the transportation fee can be reasonably determined. Wherein the timing of delivery is different for each shipping term and thus the management of the Group needs to determine the accuracy of the timing for revenue recognition. Therefore, revenue recognition is considered as one of our key audit matters in our audit.

How the matter was addressed in our audit:

The key audit procedures performed by us and procedures noted in the audit instructions sent to the component audit teams for execution were as follows:

- Testing the effectiveness of the internal control over sales.
- Selecting a period of sales data from the system, and determining the completeness of the revenue recognition.
- Obtaining the list of top ten sales customers and sales data of the year, then performing test-of-detail by selecting samples from each month to evaluate the existence of the sales and the accuracy of the amount recognized, as well as the appropriateness of sales recognition.
- Obtaining the master bill of lading provided by the airline and the summarize documents prepared by the Group, as well as selecting samples from the summarized documents to determine whether the related house bill of lading have been recognized appropriately.
- Performing sales cut-off test of a period before and after the financial position date by vouching relevant documents of sales transactions to determine whether the timing of revenue recognition is appropriate.

2. Cost accrual

Please refer to note 4(m) "revenue and cost recognition" for accounting policy related to cost accrual and note 6(q) for the disclosure related to cost of the consolidated financial statements.

Description of key audit matter:

The cost of the Group consists of local and international transportation cost. There is a risk in identifying the completeness of the accrual cost and the accuracy of the amount accrued. Therefore, the cost accrual is considered as one of our key audit matters in our audit.

How the matter was addressed in our audit:

The key audit procedures performed by us and procedures noted in the audit instructions sent to the component audit teams for execution were as follow:

- Testing the effectiveness of the internal control over cost.
- Performing test-of-detail by selecting the same samples in connection with the audit of top ten sales customers and the sales data of year from each month, and evaluate whether the related cost have been matched with the recognition of revenue and accrued appropriately.
- Sending confirmation letter for the ending balance of accounts payable. Selecting samples with significant amount from the reconciled documents between the Group and the vendors and vouching the subsequent payment to determine whether the costs accrued at the financial position date were reasonable.
- Performing purchase cut-off test of a period before and after the financial position date by vouching relevant documents of cost transactions to determine whether the timing of cost accrual is appropriate.

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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, IFRIC, 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 auditor's 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 professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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 audit resulting in this independent auditors' report are Chang, Chun-I and Huang, Tsai-Chuan.

KPMG

Taipei, Taiwan (Republic of China)
March 12, 2025

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
DIMERCO EXPRESS CORPORATION AND SUBSIDIARIES
 Consolidated Balance Sheets
 December 31, 2024 and 2023
 (expressed in thousands of New Taiwan Dollar)

		December 31, 2024		December 31, 2023				December 31, 2024		December 31, 2023	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets											
Current assets:											
1100	Cash and cash equivalents (note 6(a))	\$	4,569,519	47	4,780,626	54	2100	Short-term borrowings (note 6(i))	\$	180,000	2
1137	Financial assets at amortised cost — current (notes 6(b) and 8)		91,935	1	3,794	-	2150	Notes payable		22,083	-
1150	Notes receivable, net (notes 6(d) and (p))		2,321	-	8,307	-	2170	Accounts payable (including related parties) (note 7)		2,133,189	22
1170	Accounts receivable, net (including related parties) (notes 6(d), (p) and 7)		3,338,829	34	2,482,298	28	2216	Dividends payable (note 6(m))		34,946	-
1470	Other current assets (note 8)		227,716	3	189,349	2	2219	Other payables (notes 6(r) and 9)		171,526	2
	Total current assets:		8,230,320	85	7,464,374	84	2230	Income tax payable		85,252	1
Non-current assets:											
1510	Financial assets at fair value through profit or loss — non-current (note 6(c))		32,788	-	-	-	2280	Current lease liabilities (note 6(j))		174,677	2
1517	Financial assets at fair value through other comprehensive income — non-current		452	-	449	-		Other current liabilities		255,653	2
1551	Investments accounted for using the equity method (note 6(e))		246,514	3	246,955	3		Total current liabilities		3,057,326	31
1600	Property, plant and equipment (note 6(f))		560,876	5	544,726	6	2570	Non-current liabilities:			
1755	Right-of-use assets (notes 6(g) and (j))		357,001	4	331,165	4	2580	Deferred income tax liabilities (note 6(l))		13,429	-
1822	Intangible assets (note 6(h))		70,564	1	69,817	1	2640	Non-current lease liabilities (note 6(j))		146,745	2
1840	Deferred income tax assets (note 6(l))		124,759	1	123,354	1	2670	Net defined benefit liabilities (note 6(k))		1,783	-
1920	Refundable deposits		82,130	1	89,445	1		Other non-current liabilities		31,090	-
1990	Other non-current assets (notes 6(d), (k), (p), 8 and 9)		16,403	-	11,342	-		Total non-current liabilities		193,047	2
	Total non-current assets:		1,491,487	15	1,417,253	16		Total liabilities		3,250,373	33
Equity attributable to owners of the Company (notes 6(e), (k), (m) and (n)):											
							3110	Common stock		1,428,840	15
							3200	Capital surplus		62,234	1
							33xx	Retained earnings:			
							3310	Legal reserve		1,090,383	11
							3350	Unappropriated retained earnings		3,168,980	33
										4,259,363	44
							34xx	Other equity:			
							3410	Foreign currency translation differences for foreign operations		789,636	8
							3500	Treasury shares		(181,852)	(2)
								Total equity attributable to owners of the Company		6,358,221	66
							36xx	Non-controlling interests:		113,213	1
								Total equity		6,471,434	67
1xxx	Total assets	\$	9,721,807	100	\$ 8,881,627	100	2-3xxx	Total liabilities and equity	\$	9,721,807	100

See accompanying notes to consolidated financial statements.

DIMERCO EXPRESS CORPORATION AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2024 and 2023

(expressed in thousands of New Taiwan Dollar , except for earnings per common share)

		2024		2023	
		Amount	%	Amount	%
4000	Operating revenue (notes 6(p) and 7)	\$ 28,947,367	100	22,042,684	100
5000	Operating costs (notes 6(f), (g), (j), (k) and (q))	25,051,497	87	18,245,653	83
5900	Gross profit from operations	3,895,870	13	3,797,031	17
6000	Operating expenses (notes 6(d), (f), (g), (h), (j), (k), (n), (r) and 7):				
6100	Selling expenses	960,789	3	949,434	4
6200	Administrative expenses	1,844,460	6	1,816,246	8
6450	Expected credit loss (gain on reversal) for bad debt provision	79,360	-	(49,985)	-
	Total operating expenses	2,884,609	9	2,715,695	12
6900	Net operating income	1,011,261	4	1,081,336	5
7000	Non-operating income and expenses (notes 6(e), (j) and (s)):				
7100	Interest income	84,637	-	91,104	-
7010	Other income	13,769	-	44,539	-
7020	Other gains and losses	48,259	-	24,755	-
7050	Finance costs	(15,296)	-	(17,688)	-
7060	Share of profit of associates accounted for using the equity method	26,170	-	33,684	-
	Total non-operating income and expenses	157,539	-	176,394	-
7900	Profit from continuing operations before tax	1,168,800	4	1,257,730	5
7950	Less: Income tax expenses (note 6(l))	194,538	1	241,162	1
	Net income	974,262	3	1,016,568	4
8300	Other comprehensive income:				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains on remeasurements of defined benefit plans (note 6(k))	4,584	-	549	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will not be reclassified to profit or loss	4,584	-	549	-
8360	Components of other comprehensive income that will be reclassified to profit or loss (notes 6(e) and (m))				
8361	Exchange differences on translation of foreign financial statements	584,839	2	31,972	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss	584,839	2	31,972	-
8300	Other comprehensive income	589,423	2	32,521	-
8500	Total comprehensive income	\$ 1,563,685	5	1,049,089	4
	Profit (loss) attributable to:				
8610	Owners of the Company	\$ 954,807	3	1,023,630	4
8620	Non-controlling interests	19,455	-	(7,062)	-
	Total comprehensive income attributable to:	\$ 974,262	3	1,016,568	4
8710	Owners of the Company	\$ 1,539,120	5	1,056,497	4
8720	Non-controlling interests	24,565	-	(7,408)	-
	Earnings per share (NT dollars) (note 6(o))	\$ 6.78		7.24	
9750	Basic earnings per share	\$ 6.78		7.24	
9850	Diluted earnings per share	\$ 6.74		7.18	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statement: Originally Issued in Chinese)

DIMERCO EXPRESS CORPORATION AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

(expressed in thousands of New Taiwan Dollar)

	Equity attributable to owners of the Company						Other equity				
							Foreign currency translation differences for foreign operations	Treasury shares	Total equity attributable to owners of the Company	Non-controlling interests	Total equity
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total					
	\$										
Balance at January 1, 2023	1,360,800	19,362	733,290	557,281	3,353,782	4,644,333	177,589	(201,000)	6,001,104	123,637	6,124,741
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	254,675	-	(254,675)	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(557,281)	557,281	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(1,456,056)	(1,456,056)	-	-	(1,456,056)	-	(1,456,056)
Stock dividends of ordinary share	68,040	-	-	-	(68,040)	(68,040)	-	-	-	-	-
Net income (loss)	-	-	-	-	1,023,630	1,023,630	-	-	1,023,630	(7,062)	1,016,568
Other comprehensive income	-	-	-	-	549	549	32,318	-	32,867	(346)	32,521
Total comprehensive income	-	-	-	-	1,024,179	1,024,179	32,318	-	1,056,497	(7,408)	1,049,089
Decrease in non-controlling interests	-	(3,350)	-	-	-	-	-	-	(3,350)	(8,942)	(12,292)
Cash dividends distributed by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	(3,945)	(3,945)
Treasury shares transferred to employees	-	46,046	-	-	-	-	-	191,620	237,666	-	237,666
Gain on disgorgement	-	176	-	-	-	-	-	-	176	-	176
Balance at December 31, 2023	1,428,840	62,234	987,965	-	3,156,471	4,144,436	209,907	(9,380)	5,836,037	103,342	5,939,379
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	102,418	-	(102,418)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(844,464)	(844,464)	-	-	(844,464)	-	(844,464)
Net income	-	-	-	-	954,807	954,807	-	-	954,807	19,455	974,262
Other comprehensive income	-	-	-	-	4,584	4,584	579,729	-	584,313	5,110	589,423
Total comprehensive income	-	-	-	-	959,391	959,391	579,729	-	1,539,120	24,565	1,563,685
Acquisition of treasury share	-	-	-	-	-	-	-	(172,472)	(172,472)	-	(172,472)
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	199	199
Cash dividends distributed by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	(14,893)	(14,893)
Balance at December 31, 2024	\$ 1,428,840	62,234	1,090,383	-	3,168,980	4,259,363	789,636	(181,852)	6,358,221	113,213	6,471,434

See accompanying notes to consolidated financial statements.

DIMERCO EXPRESS CORPORATION AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(expressed in thousands of New Taiwan Dollar)

	2024	2023
Cash flows from (used in) operating activities:		
Net income before tax	\$ 1,168,800	1,257,730
Adjustments:		
Adjustments to reconcile profit and loss:		
Depreciation expense	268,768	277,226
Amortization expense	3,766	3,822
Expected credit losses (gain on reversal) for bad debt provision	79,360	(49,915)
Interest expense	15,296	17,618
Interest income	(84,637)	(91,114)
Dividend income	(98)	(26)
Share of profit of associates accounted for using the equity method	(26,170)	(33,614)
Loss (gain) on disposal of property, plant and equipment	(930)	317
Compensation cost arising from treasury shares transferred to employees	-	43,116
Gain on lease modification	(6)	-
Total adjustments to reconcile profit and loss	255,349	167,311
Changes in operating assets and liabilities:		
Net changes in operating assets:		
Notes receivable	5,986	8,411
Accounts receivable (including related parties) (including overdue receivables)	(935,891)	395,710
Other current assets	(38,367)	192,260
Net defined benefit assets	(5,889)	4
Total changes in operating assets, net	(974,161)	597,411
Net changes in operating liabilities:		
Notes payable	(28,297)	2,401
Accounts payable (including related parties)	442,659	(1,124,600)
Other payables	3,267	(269,016)
Other current liabilities	(109,339)	242,538
Net defined benefit liabilities	1,731	(3,410)
Total changes in operating liabilities, net	310,021	(1,130,087)
Total changes in operating assets and liabilities, net	(664,140)	(533,500)
Total adjustments	(408,791)	891,511
Cash inflow generated from operations	760,009	91,113
Interest received	84,637	(17,614)
Interest paid	(15,177)	(304,214)
Income taxes paid	(227,976)	660,718
Net cash flows from operating activities	601,493	5,911
Cash flows from (used in) investing activities:		
Decrease (increase) in financial assets at amortised cost	(88,141)	(25,111)
Acquisition of financial assets at fair value through profit or loss	(31,598)	21
Acquisition of property, plant and equipment	(35,634)	15,110
Proceeds from disposal of property, plant and equipment	1,046	(116)
Decrease in refundable deposits	7,315	36
Acquisition of intangible assets	(783)	(31)
Decrease (increase) in other non-current assets	828	(3,601)
Dividends received	32,318	56,825
Net cash from (used in) investing activities	(114,642)	49,300
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	-	1,407,218
Decrease in short-term borrowings	-	(1,657,218)
Payment of lease liabilities	(230,894)	(227,775)
Decrease in other non-current liabilities	(3,775)	(2,187)
Cash dividends paid	(822,471)	(1,463,768)
Payments to acquire treasury shares	(172,472)	-
Treasury shares transferred to employees	-	194,480
Changes in non-controlling interests	(14,694)	(12,887)
Other financing activities	-	176
Net cash flows used in financing activities	(1,244,306)	(1,761,961)
Effect of exchange rate changes on cash and cash equivalents	546,355	23,091
Net decrease in cash and cash equivalents	(211,107)	(1,028,849)
Cash and cash equivalents at beginning of period	4,780,626	5,809,475
Cash and cash equivalents at end of period	\$ 4,569,519	4,780,626