

Redwood Group Ltd

紅木集團有限公司

**Meeting Minutes of 2024 Annual General Meeting
(Translation)**

- Time : 9:00 a.m., Friday, June 21, 2024
- Venue : Third-floor meeting room at the New Taipei Industrial Park Service Center
(No. 95, Wugong Road, Xinzhuang District, New Taipei City)
- Attendance : The total number of shares issued by the company is 50,242,500 shares. The total number of outstanding shares issued by the company is 50,242,500 shares. The number of shareholder representative shares in attendance is 34,061,602 shares, of which 34,061,602 shares were present to exercise voting rights electronically. The attendance rate is 67.79%, which exceeds the statutory limit. Number of shares; this annual shareholders' meeting was attended by three directors including Independent Director Min-chiu Chien (Convener of the Audit Committee), Independent Director Yu-chun Hsiao and Independent Director Chia-shi Lo, which exceeded half of the 5 directors.
Attendees without Voting Rights: CPA Li-huang Lee from Deloitte Taiwan

Acting chairman: Min-chiu Chien

Recorder: Pin-ching Su

- I. Call the Meeting to Order: The shares represented by the shareholders present in person and by proxy constituted a quorum. The Chairman called the meeting to order.
- II. Chairman's Remarks: (Omitted).
- III. Reporting Matters
- (I) Subject : To approve the 2023 business report.
(Proposed by the Board of Directors)
Explanation : Please refer to Attachment I.
- (II) Subject : To approve the Audit Committee's audit report for 2023.
(Proposed by the Board of Directors)
Explanation : Please refer to Attachment II.

(III) Subject : To approve the amendments of certain articles within the Company's "Rules of Procedure for the Board of Directors' Meetings."
 (Proposed by the Board of Directors)

Explanation : Please refer to Attachment III.

IV. Approval Matters

(I) Subject : To adopt the 2023 annual financial statements.
 (Proposed by the Board of Directors)

Explanation : The Company's 2023 annual financial statements were audited by the Certified Public Accounts (CPAs) of Deloitte Taiwan, Li-huang Lee and Ming-chung Hsieh. Relevant reports were reviewed by the Audit Committee and approved by a resolution by the Board of Directors. Please refer to Attachment IV.

Resolution : The chairman ordered that the proposal be voted. Among 34,061,602 votes represented by the shareholders present at the meeting.

Result	%
Affirmative votes - 33,737,579 votes (including 33,737,579 votes voted by electronic means)	99.05%
Dissenting votes - 303,965 votes (including 303,965 votes voted by electronic means)	0.89%
Affirmative votes - 20,058 votes (including 20,058 votes voted by electronic means)	0.06%

The chairman announced that the proposal was passed as an ordinary resolution.

(II) Subject : To adopt the 2023 earnings distribution.
 (Proposed by the Board of Directors)

Explanation : 1. The Company's consolidated net income after tax in 2023 was NT\$329,029,854, deduct special reserve (including adjustment for the translation difference of financial statements of foreign operating institutions) NT\$78,251,543, and deduct special reserve of NT\$16,451,493, the available distribution surplus was NT\$262,691,046.

2. The cash dividend ex-dividend base date, payment date and other related matters will be approved by the shareholders' meeting, then authorize the Chairman of the board to formulate it.

3. For the current cash dividend distribution, the dividend will be calculated to the amount of one whole NTD. and any decimal point below on NTD will be rounded down. Less than on NTD will be transferred to other income of the company. Subsequently, if changes occur to the Company's share capital , affecting the number of shares outstanding, leading to adjustments to the rate of shareholders's dividend distribution, the Company proposes to delegate the Chairman with all competent authority to handle related matters, In addition, the Company also proposes to delegate the Chairman to establish related matters, including setting an ex-dividend date.

Resolution : The chairman ordered that the proposal be voted. Among 34,061,602 votes represented by the shareholders present at the meeting.

Result	%
Affirmative votes - 33,314,479 votes (including 33,314,479 votes voted by electronic means)	97.81%
Dissenting votes - 732,065 votes (including 732,065 votes voted by electronic means)	2.15%
Affirmative votes - 15,058 votes (including 15,058 votes voted by electronic means)	0.04%

The chairman announced that the proposal was passed as an ordinary resolution.

There were no questions from shareholders at this shareholders' meeting.

V. Extraordinary Motions: None.

VI. Adjournment

Time: 9:10 a.m., June 21, 2024

REDWOOD GROUP LTD

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[Attachment I] 2023 Business Report

Letter to Shareholders

Redwood had another year of growth in 2023 as the Company continued to execute well on its strategic priorities. We are particularly pleased that all business units and regions have performed strongly. Overall revenue was NT\$2,860 million, an over 68% growth where the income after tax growth of over 910%. The economic recovery after the pandemic coupled with improvements we have implemented in recent years have directly contributed to our financial track record. Throughout the last 2 years, we have consistently advanced and developed our business. We established two subsidiaries in Australia and India, thereby extending our presence across regions, broadening and enhancing our services.

From the luxury market macro perspective, the weight of the overall global luxury market has reached 1,500 billion Euros in 2023, representing a growth of 8-10% compared to 2022. The personal luxury goods generated a continued growth in 2023 to about Euro 387 billion, about 4% higher than 2022. Analysis by McKinsey that luxury brands are forging ahead and forecasts an expected growth of 2-4% in 2024. Such market growth is expected to be sustainable at 5-7% and could last until 20230 (according to the report from Bain & Company).

From the Company perspective, Redwood will continue the efforts in strategic pricing, costs management, optimized operation processes and create further values to clients. In addition, more efforts in sustainability development will be implemented. The Company has initiated efforts in monitoring greenhouse gas emissions in our operations and evaluating various options in adapting renewable energy sources to make our operations more efficient and sustainable.

Responsible sourcing would be another area that the Company will be focusing on in the next couple years. The Company has started to prepare for the FSC certification process to ensure our wood related raw materials are being obtained from sustainable sources. Redwood will continue to make progress toward our sustainability, social and governance goals.

2024 outlook , we continue to see positive momentum across the group, and we expect another year of strong growth in revenue and operating profit. Lastly, on behalf of the Board, I would like to thank Redwood employees for their many contributions throughout 2023. We are confident that with their knowledge and commitment, Redwood will continue to be successful in the year ahead.

I. Implementation results of 2023 business plan

(I) Implementation results of business plan

Unit: NT\$1,000

Item	FY2023	
	Amount	%
Operating revenue	2,860,254	100.00%
Operating costs	1,941,069	67.86%
Gross profit	919,185	32.14%
Net operating income	425,790	14.89%
Net income before tax	411,132	14.37%

(II) Budget execution status: This is not applicable as the Company does not have to disclose its financial forecasts to the public.

(III) Cash flows and profitability analysis

Unit: NT\$1,000

Item		FY2023	
Cash flows	Operating revenue	2,860,254	
	Gross profit	919,185	
	Net income before tax	411,132	
Profitability	Return on assets (%)	15.26%	
	Return on shareholders' equity (%)	35.47%	
	Percentage of paid-in capital (%)	Net operating income	84.75%
		Net income before tax	81.83%
	Net profit margin (%)	11.50%	
	Earnings per share (NT\$)	6.55	

(IV) Research and development:

Redwood has been actively looking into the company's production capabilities. In the last couple of year, the company has developed and mastered the process in producing curved glass which can suit complicated showcase and store design. In addition, the company is continuing its efforts in introducing new substitute materials for weight and handling advantage.

II. Summary of 2024 business plan

(I) Business directions

1. To offer quality crafted products and satisfying services at luxury display locations worldwide.
2. To improve project management capabilities and provide customers with more comprehensive "one-stop" service.
3. To deeply develop existing customers and maintain good interaction; continue to develop new customers and step into other high-end decoration businesses.
4. To increase the training of technical talents and develop new skills in combination with new technologies.

(II) Expected market conditions and reasons of forecasts

There are some highlights from the industry research from Statista in the luxury goods market.

- In 2024, the Luxury Goods market is projected to generate a revenue of US\$368.90 bn.
- This market is anticipated to grow at an annual rate of 3.22% (CAGR2024-2028)
- The largest segment within this market is Luxury Fashion.

(III) Significant production and sales policies

The Group accelerates in setting up overseas operation bases to serve existing customers and explore new brand customers. We will quickly respond to customer needs and create value in response to industrial development and market conditions, and achieve common prosperity and mutual benefit with customers based on high-quality service and loyalty to customers. .

III. Future development strategies of the Company

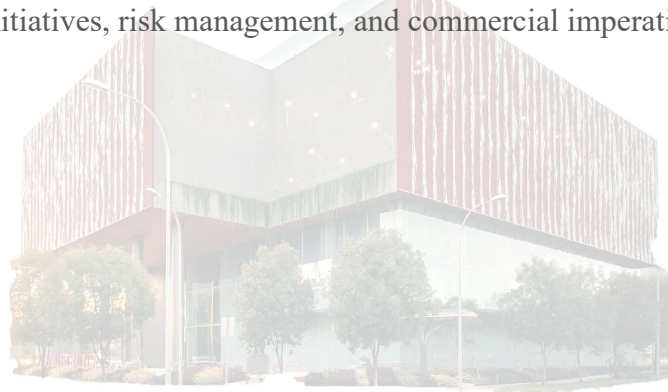
- (I) To research and develop automated manufacturing processes, improve production efficiency, increase productivity, train technical talents, etc.

- (II) To continuously improve the project management capabilities and production technologies of projects and provide customers with satisfying products and services.
- (III) To explore new customers with high growth potential on the basis of interior fittings for luxury brands.
- (IV) The Group actively seeks merger and acquisition targets which can complement the Group in operation, business, and customer aspects.
- (V) Focus on sustainable development of enterprise.

IV. Impacts from external competition, regulatory compliance, and macro-environment

The industry continues to be challenged by geopolitical and economic headwinds. In addition, climate change brings increasingly extreme weather events and global temperatures rise, the coming years likely to mark a heightened industry focus on environmental, social, and governance (ESG) issues.

Such industry focus will have impacts to the company overall operations and costs. However, this can also be an advantage to Redwood as smaller companies may have difficulties to comply. Hence, the company will need to continue finding a balance among sustainability initiatives, risk management, and commercial imperatives.



Chairman:
Thong-ming Soh

General Manager:
Sing-Keong Lee

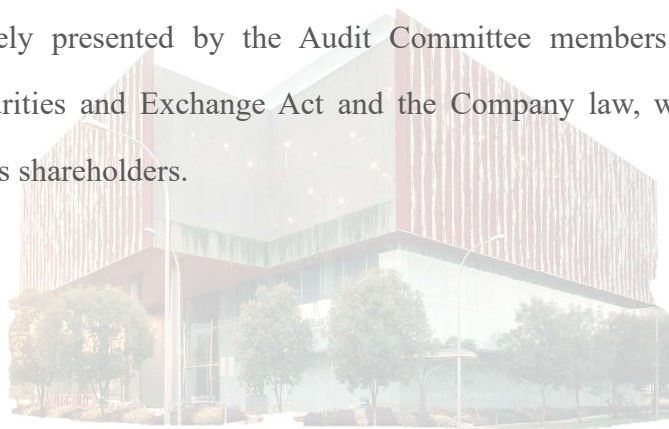
Accounting Officer:
Ai-ai Siew

[Attachment II] Audit Committee's Approval and Audit Report for 2023

Redwood Group Ltd Audit Committee's Approval and Audit Report

The Board of Directors has prepared the Company's 2023 Business Report, Consolidated Financial Statements and Earnings Distribution Table. Among these documentations, the financial statements have been audited by the auditors, Deloitte, and the audit reports relating to the Financial Statements have been granted.

The Business Report, Financial Statements and Earnings Distribution Table have been examined and determined to be barely presented by the Audit Committee members of Redwood Group Ltd. According to the Securities and Exchange Act and the Company law, we hereby submit the audit report to the Company's shareholders.



Sincerely,
Redwood Group Ltd

Convener of the Audit Committee

Min-chiu Chien

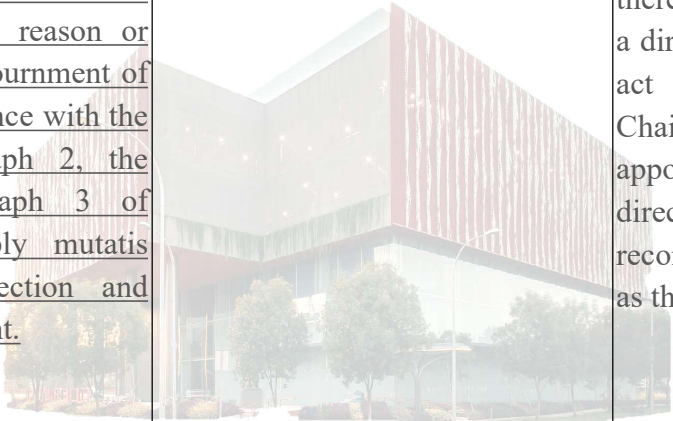
March 13, 2024

[Attachment III] Comparison Table of Amendments to the "Rules of Procedure for the Board of Directors' Meetings"

REDWOOD GROUP LTD

Comparison Table of Amendments to the "Rules of Procedure for the Board of Directors' Meetings"

After the Amendment	Before the Amendment	Description
<p>Article 12</p> <p>The Chairman shall call the meeting to order at the scheduled time when more than half of all Directors are in attendance. If half of all Directors were absent at the scheduled meeting time, the Chairman may announce to postpone the meeting <u>on that day</u>. The postponement is limited to two times. If the number of Directors did not meet the accordance with the procedures set out in Paragraph 2 of Article 3.</p> <p>When the Board meeting is convened, units responsible for the meeting shall have relevant information ready for attending Directors to examine.</p>	<p>Article 12</p> <p>The Chairman shall call the meeting to order at the scheduled time when more than half of all Directors are in attendance. If half of all Directors were absent at the scheduled meeting time, the Chairman may announce to postpone the meeting. The postponement is limited to two times. If the number of Directors did not meet the accordance with the procedures set out in Paragraph 2 of Article 3.</p> <p>When the Board meeting is convened, units responsible for the meeting shall have relevant information ready for attending Directors to examine.</p>	<p>In order to avoid controversy by extending board meetings at an uncertain time, it was decided that there were not enough people present, the Chairman may announce the postponement of the meeting and the time limit is limited to that day.</p> <p>Item 2 was not amended.</p>
<p>Article 13</p> <p>The Board meetings shall proceed in accordance with the agenda, in the meeting notice. However, the agenda can be changed if approved by the majority of attending Directors.</p> <p>The Chairman cannot announce the adjournment of the meeting before the completion of agenda</p>	<p>Article 13</p> <p>The Board meetings shall proceed in accordance with the agenda, in the meeting notice. However, the agenda can be changed if approved by the majority of attending Directors.</p> <p>The Chairman cannot announce the adjournment of the meeting before the completion of agenda</p>	<p>Item 1 to 3 were not amended. .</p> <p>Considering practical considerations, when the Board of Directors is in progress and the Chairman is unable to preside over the meeting for some reason or fails to adjourn the meeting as required, in order to avoid</p>

After the Amendment	Before the Amendment	Description
<p>unless agreed by the majority of attending Directors.</p> <p>During the Board meetings, if the number of Directors in attendance was less than the majority of Directors originally attending the meeting, the Chairman shall declare a temporary suspension of meeting upon a motion by the Directors in attendance. In which case, Paragraph 2 of the preceding article shall apply mutatis mutandis.</p> <p><u>If the Chairman of the Board of Directors is unable to preside over the meeting for some reason or fails to declare the adjournment of the meeting in accordance with the provisions of paragraph 2, the provisions of paragraph 3 of Article 10 shall apply mutatis mutandis to the selection and appointment of his agent.</u></p>	<p>unless agreed by the majority of attending Directors.</p> <p>During the Board meetings, if the number of Directors in attendance was less than the majority of Directors originally attending the meeting, the Chairman shall declare a temporary suspension of meeting upon a motion by the Directors in attendance. In which case, Paragraph 2 of the preceding article shall apply mutatis mutandis.</p> 	<p>affecting the operation of the Board of Directors, a fourth item is added to specify that the method of selecting agents shall apply mutatis mutandis to the provisions of item 3 of Article 10. The deputy Chairman shall act on his behalf. If there is no vice Chairman or the vice Chairman also takes leave or is unable to perform his duties for some reason, the Chairman shall designate a managing director to act on his behalf. If there is no managing director, a director shall be appointed to act on his behalf. The Chairman shall If an agent is appointed, the managing director or directors shall recommend one person to act as the agent.</p>
<p>Date of establishment of the Rules: December 30, 2010</p> <p>First amendment: March 3, 2011</p> <p>Second amendment: March 20, 2012</p> <p>Third amendment: June 18, 2012</p> <p>Fourth amendment: September 5, 2012</p> <p>Fifth amendment: December 22, 2014</p>	<p>Date of establishment of the Rules: December 30, 2010</p> <p>First amendment: March 3, 2011</p> <p>Second amendment: March 20, 2012</p> <p>Third amendment: June 18, 2012</p> <p>Fourth amendment: September 5, 2012</p> <p>Fifth amendment:</p>	<p>A new amendment date is added.</p>

After the Amendment	Before the Amendment	Description
<p>Sixth amendment: November 14, 2017</p> <p>Seventh amendment: March 20, 2019</p> <p>Eighth amendment: March 19,2020</p> <p>Ninth amendment: August 13, 2020</p> <p>Tenth amendment: August 27, 2021</p> <p>Eleventh amendment: November 11, 2022</p> <p><u>Twelfth amendment:</u> <u>March 13, 2024</u></p>	<p>December 22, 2014</p> <p>Sixth amendment: November 14, 2017</p> <p>Seventh amendment: March 20, 2019</p> <p>Eighth amendment: March 19,2020</p> <p>Ninth amendment: August 13, 2020</p> <p>Tenth amendment: August 27, 2021</p> <p>Eleventh amendment: November 11, 2022</p>	



[Attachment IV] 2023 Annual Financial Statements

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders

Redwood Group Ltd

Opinion

We have audited the accompanying consolidated financial statements of Redwood Group Ltd and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. 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.

The key audit matters identified in the Group's consolidated financial statements for the year ended December 31, 2023 are stated as follows:

Revenue Recognized Based on Construction in Progress

As described in Notes 4, section 10 and Note 5 of the consolidated financial statements, revenue recognition of the Group is based on the percentage of completion of construction. Furthermore, the calculation of percentage of completion of construction is significant with regard to revenue recognition; therefore, we identified the estimation of unfinished construction cost to be a key audit matter.

We tested the related internal controls, and the main audit procedures that we performed were the following:

1. We sampled the construction proposals and examined whether the total contract price was consistent with the total contract price for calculating the project revenue or not. If the project
2. We sampled each construction proposal, examined the contract, estimated cost sheet and other relevant documents of the project, and recalculated the completion percentage to assess the correctness of the project revenue recognition.
3. We verified the completion status of the construction in progress at the end of the period and whether there were major changes or contract modifications, obtained appropriate certificates, gathered supporting documents for the variation of the project, and verified its rationality.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in 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 auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors'

report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Lee Li Huang and Ming Chung Hsieh.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 13, 2024



Notice to Readers

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

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

REDWOOD GROUP LTD AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

ASSETS	2023		2022	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Note 6 and 27)	\$ 335,989	15	\$ 391,109	18
Contract assets - current (Note 20)	293,641	13	318,538	14
Trade receivables (Notes 8 and 27)	438,910	19	277,952	13
Other receivables (Notes 8 and 27)	12,863	1	2,254	-
Other receivables from related parties (Notes 8, 27 and 28)	70	-	46	-
Current tax assets (Note 22)	-	-	8,327	-
Inventories (Note 9)	128,035	5	94,527	4
Prepayments (Notes 13)	50,065	2	57,437	3
Other current assets (Note 13)	6,706	-	963	-
Total current assets	<u>1,266,279</u>	<u>55</u>	<u>1,151,153</u>	<u>52</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 7 and 27)	45,241	2	32,540	1
Property, plant and equipment (Notes 11 and 29)	912,660	39	940,543	43
Right-of-use assets (Notes 12 and 29)	41,754	2	41,998	2
Deferred tax assets (Note 22)	26,496	1	30,506	1
Other non-current assets (Notes 13 and 27)	16,699	1	14,409	1
Total non-current assets	<u>1,042,850</u>	<u>45</u>	<u>1,059,996</u>	<u>48</u>
TOTAL	<u>\$ 2,309,129</u>	<u>100</u>	<u>\$ 2,211,149</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 14, 25, 27 and 29)	\$ 34,935	1	\$ 34,320	2
Contract liabilities-current (Note 20)	191,763	8	447,588	20
Trade payables (Notes 15 and 27)	155,618	7	161,880	7
Trade payables to related parties (Notes 15, 27 and 28)	1,257	-	1,587	-
Other payables (Notes 16 and 27)	176,228	8	109,952	5
Current tax liabilities (Note 22)	34,291	1	4,126	-
Provisions - current (Note 17)	42,752	2	21,975	1
Lease liabilities - current (Note 12, 25 and 27)	994	-	307	-
Current portion of long-term borrowings (Note 14, 25, 27 and 29)	88,750	4	83,630	4
Other current liabilities (Note 16)	15,729	1	16,202	1
Total current liabilities	<u>742,317</u>	<u>32</u>	<u>881,567</u>	<u>40</u>
NON-CURRENT LIABILITIES				
Long-term borrowings (Note 14, 25, 27 and 29)	474,433	20	536,396	24
Deferred tax liabilities (Note 22)	16,451	1	13,021	1
Lease liabilities - non-current (Note 12, 25 and 27)	448	-	397	-
Total non-current liabilities	<u>491,332</u>	<u>21</u>	<u>549,814</u>	<u>25</u>
Total liabilities	<u>1,233,649</u>	<u>53</u>	<u>1,431,381</u>	<u>65</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 19)				
Share capital - ordinary shares	<u>502,425</u>	<u>22</u>	<u>502,425</u>	<u>23</u>
Capital surplus	<u>293,911</u>	<u>13</u>	<u>293,911</u>	<u>13</u>
Retained earnings				
Special reserve	252,393	11	252,393	12
Unappropriated earnings	357,396	15	28,366	1
Total retained earnings	<u>609,789</u>	<u>26</u>	<u>280,759</u>	<u>13</u>
Other equity				
Exchange differences on translation of foreign financial statements	(256,977)	(11)	(227,106)	(11)
Unrealized loss on financial assets of fair value through other comprehensive income	(73,668)	(3)	(70,221)	(3)
Total other equity	<u>(330,645)</u>	<u>(14)</u>	<u>(297,327)</u>	<u>(14)</u>
Total equity attributable to owners of the Company	<u>1,075,480</u>	<u>47</u>	<u>779,768</u>	<u>35</u>
TOTAL	<u>\$ 2,309,129</u>	<u>100</u>	<u>\$ 2,211,149</u>	<u>100</u>

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

REDWOOD GROUP LTD AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
OPERATING REVENUE (Note 20)				
Construction revenue	\$ 2,860,254	100	\$ 1,699,124	100
OPERATING COSTS (Note 9, 21 and 28)				
Construction costs	(1,941,069)	(68)	(1,254,853)	(74)
GROSS PROFIT	919,185	32	444,271	26
OPERATING EXPENSES (Notes 21)				
Selling and marketing expenses	(20,164)	(1)	(26,921)	(2)
General and administrative expenses	(471,310)	(16)	(366,169)	(21)
Expected credit (loss) gain	(1,921)	-	568	-
Total operating expenses	(493,395)	(17)	(392,522)	(23)
NET PROFIT FROM OPERATIONS	425,790	15	51,749	3
NON-OPERATING INCOME AND EXPENSES (Notes 21, 24 and 28)				
Interest income	425	-	379	-
Other income	10,440	-	20,632	1
Other gains and losses	(5,800)	-	582	-
Finance costs	(19,723)	(1)	(17,783)	(1)
Total non-operating income and expenses	(14,658)	(1)	3,810	-
PROFIT BEFORE INCOME TAX	411,132	14	55,559	3
INCOME TAX EXPENSE (Note 22)	(82,102)	(3)	(23,237)	(1)
NET PROFIT FOR THE YEAR	329,030	11	32,322	2
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized loss on investments in debt instruments as at fair value through other comprehensive income	(\$ 3,447)	-	(\$ 4,273)	-
Exchange differences arising on translation to the presentation currency	6,276	-	(37,418)	(2)

(Continued)

REDWOOD GROUP LTD AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statement of foreign operations	(36,147)	(1)	73,032	4
Other comprehensive income (loss) for the year, net of income tax	(33,318)	(1)	31,341	2
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 295,712</u>	<u>10</u>	<u>\$ 63,663</u>	<u>4</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	<u>\$ 329,030</u>	<u>11</u>	<u>\$ 32,322</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	<u>\$ 295,712</u>	<u>10</u>	<u>\$ 63,663</u>	<u>4</u>
EARNINGS PER SHARE (Note 23)				
Basic	<u>\$ 6.55</u>		<u>\$ 0.64</u>	
Diluted	<u>\$ 6.55</u>		<u>\$ 0.64</u>	

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

REDWOOD GROUP LTD AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company				Other Equity		Total Equity
	Share Capital	Capital Surplus	Retained Earnings		Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Exchange Differences on Translating the Financial Statements of Foreign Operations	
			Special Reserve	Unappropriated Earnings			
BALANCE AT JANUARY 1, 2022	\$ 502,425	\$ 293,911	\$ 252,393	\$ (3,956)	\$ (65,948)	\$ (262,720)	\$ 716,105
Net profit for the year ended December 31, 2022	-	-	-	32,322	-	-	32,322
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	(4,273)	35,614	31,341
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	32,322	(4,273)	35,614	63,663
BALANCE AT DECEMBER 31, 2022	502,425	293,911	252,393	28,366	(70,221)	(227,106)	779,768
Net profit for the year ended December 31, 2023	-	-	-	329,030	-	-	329,030
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	(3,447)	(29,871)	(33,318)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	329,030	(3,447)	(29,871)	295,712
BALANCE AT DECEMBER 31, 2023	\$ 502,425	\$ 293,911	\$ 252,393	\$ 357,396	\$ (73,668)	\$ (256,977)	\$ 1,075,480

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

REDWOOD GROUP LTD AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 411,132	\$ 55,559
Adjustments for:		
Depreciation expenses	94,011	90,575
Expected credit loss recognized (reversed) on trade receivables	1,921	(568)
Net (gain) loss of financial assets and liabilities at fair value through profit and loss	-	(7,412)
Finance costs	19,723	17,783
Interest income	(425)	(379)
Reversal of write-downs of inventories	(3,608)	(46)
Gain on disposal of subsidiary	-	(3,348)
Net gain on foreign currency exchange	(30,659)	(27,767)
Net (gain)/loss on disposal of property, plant and equipment	(1,941)	122
Recognition of provisions	43,194	14,437
Changes in operating assets and liabilities		
Contracts assets	24,897	(174,779)
Trade receivables	(162,876)	(49,407)
Other receivables	(10,633)	14,359
Inventories	(28,890)	(21,714)
Prepayments	7,372	(6,540)
Other current assets	(5,743)	242
Contracts liabilities	(255,825)	261,047
Trade payables	(6,592)	39,354
Other payables	62,044	20,051
Provisions	(22,431)	(14,726)
Other current liabilities	(473)	(1,319)
Cash generated from operations	134,198	205,524
Interest paid	(19,588)	(17,005)
Income taxes paid	(35,356)	(8,696)
Net cash generated from operating activities	<u>79,254</u>	<u>179,823</u>

(Continued)

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of financial assets at fair value through other comprehensive income	(\$ 15,642)	\$ -
Proceeds from sale of financial assets at fair value through profit or loss	-	6,010
Payments for property, plant and equipment	(52,204)	(29,144)
Proceeds from disposal of property, plant and equipment	2,716	1,246
Increase in refundable deposits	(1,809)	-
Decrease in refundable deposits	-	119
Net cash inflow on disposal of subsidiary	-	3,348
Increase in prepayments for equipment	(7,388)	(7,223)
Interest received	<u>425</u>	<u>379</u>
Net cash used in investing activities	<u>(73,902)</u>	<u>(25,265)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from short-term borrowings	-	3,630
Repayments of long-term borrowings	(66,228)	(23,443)
Repayment of the principal portion of lease liabilities	<u>(1,251)</u>	<u>(871)</u>
Net cash used in financing activities	<u>(67,479)</u>	<u>(20,684)</u>

EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>7,007</u>	<u>(35,964)</u>
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NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(55,120)	97,910
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CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>391,109</u>	<u>293,199</u>
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CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 335,989</u>	<u>\$ 391,109</u>
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The accompanying notes are an integral part of the consolidated financial statements. (Concluded)

[Attachment V] 2023 Earnings Distribution Table

Redwood Group Ltd
Annual Statement of Deficit Compensation
FY2023

Unit: NT\$

Item	Amount	
	Subtotal	Total
Unappropriated earnings, beginning of period		\$28,364,228
Add: Net income after tax for the year	329,029,854	21,322,221
Less: Special reserve (including adjustment for the translation difference of financial statement of foreign operating institutions)	(78,251,543)	
Less: 5% Special reserve	(16,451,493)	234,326,818
Earnings available for distribution for this period		262,691,046
Allocation:		
Cash dividends (NT\$2.5 per share)		(125,606,250)
Unappropriated earnings, end of period		\$137,084,796

Note: Remuneration to Directors was NT\$3,294,152 and bonus to employee was NT\$671,625 distributed during the period in the form of cash.

Chairman:
Thong-ming Soh

General Manager:
Sheng-chiang Li

Accounting Officer:
Ai-ai Hsiao