

# Kwong Fong Industries Corporation

## Audit Committee Members and Operations

1. There are three members of the Audit Committee of the Company.

Title	Name	Professional qualifications and experience
Convener	Ho Chin-Chih	Independent Director Hou has abundant experience in the futures and securities industry, as a Consultant of KGI Futures Co., Ltd. the Director and Supervisor of the Chinese National Futures Association, Chairperson of SYF Information Co., LTD., Senior Vice President of Yuanta Futures Co., Ltd., President of Fubon Futures Co., Ltd., and Financial Vice President of California branch of The Tokai Bank Limited, Japan.
Committee member	Kuan Chi-Jui	Independent Director Kuan was the Chairperson of Qunfu Construction Co., Ltd., Zhongxing Engineering Co., Ltd., Engineer Consultant of Te Chang Construction Co., Ltd., and Kang he Construction Co., Ltd.; and is specialized in the construction industry.
Committee member	Cheng Yu-Wei	Independent Director Cheng possesses the knowledge, skills, and qualifications necessary for performing his duties, along with extensive experience in industry management. He is well-equipped with practical expertise in business, legal planning, and management.

2. Tenure of the incumbent (the 2nd) Audit Committee: 2024.05.30 ~ 2027.05.29.

3. The Committee operates mainly to supervise the following:

- A. Fair presentation of the Company's financial statements.
- B. Appointment and dismissal of attesting CPAs and their independence and performance.
- C. Effective implementation of the Company's internal control.
- D. The Company's compliance with applicable laws and regulations.
- E. Control of the risks facing or having the potential to affect the Company.

4. In the most recent year (2024), the Audit Committee held 2 meetings (A) in 1<sup>st</sup> session and 3 meetings (A) in the 2<sup>nd</sup> session. The attendance is as follows:

Title	Name	Number of attendance in person (B)	Number of attendance by proxy	% of attendance in person (B/A)	Remarks
Convener	Ho Chin-Chih	3	0	100	The 2 <sup>nd</sup> session

Title	Name	Number of attendance in person (B)	Number of attendance by proxy	% of attendance in person (B/A)	Remarks
Committee member	Kuan Chi-Jui	3	0	100	
Committee member	Cheng Yu-Wei	3	0	100	
Convener	Liu Wei-Ting	1	1	50	The 1 <sup>st</sup> session
Committee member	Ho Chin-Chih	2	0	100	
Committee member	Kuan Chi-Jui	2	0	100	

5. Any other matters that require reporting:

- (1) If any of the following situations occur in the operation of the audit committee, the audit committee meeting date, session, content of proposals, independent directors' objections, reservation opinions or major proposal contents, audit committee resolution results and the company's handling of the audit committee's opinion.

(i) Matters listed in Article 14-5 of the Securities Exchange Act:

Date/Session	Resolution content	Independent directors that hold objections or expressions of reservation opinions and the handling of independent directors' opinions by the company
2024.03.15. The 14 <sup>th</sup> meeting of the 1 <sup>st</sup> session	1. Approved the Company's 2023 business report, financial statements and consolidated financial statements 2. Approved the company's 2023 earnings distribution proposal 3. Approved the independent assessment of the Company's CPA of the financial statement 4. Approved the proposal to formulate the Company's non-assurance service pre-approval policy for the 2024 entrusted certified firm	None
2024.08.13. The 2 <sup>nd</sup> meeting of the 2 <sup>nd</sup> session	1. Approved of the Company's financial statements for the second quarter of 2024 2. Approve the revision of internal control regulations and the procedures for preparing and assuring the sustainability report 3. Approve the 2023 sustainability report.	None
2024.11.08. The 3 <sup>rd</sup> meeting of the 2 <sup>nd</sup> session	1. Approved the 2025 internal audit plan review proposal	None

- (ii) In addition to the aforementioned matters, other resolutions that have not been passed by the audit committee, but have been adopted with the approval of two-thirds or more of all board directors: None

(2) The implementation of independent directors' recusal of interest-related proposals. The independent director's name, content of the proposal, reasons for his recusal of interests and participation in voting shall be stated: None

6. Information on the evaluation cycle, period, scope, method, and content of the evaluation for the Audit Committee's self-assessment:

Options and results of evaluation indicators in 2024

Evaluation cycles	Evaluation periods	Evaluation scope	Evaluation content	Evaluation content
Once/ year	2023.01.01.~ 2023.12.31.	Audit Committee	The internal evaluation of the Committee	Five aspects • Degree of involvement in company operations • Understanding of the responsibilities of functional committees • Enhancement of the quality of committee decisions • Composition of functional committees and selection of members • Internal control

The evaluation results ranged between 5 points, "strongly agree" and 4 points, "agree".