

Minutes of 2025 Annual General Shareholders' Meeting of Far EasTone Telecommunications Co., Ltd.

(The English version is the translation of the Chinese version and if there is any conflict between the Chinese version and English version, Chinese version shall prevail.)

Originally Scheduled Meeting Time : 9:00 a.m., May 16, 2025

Place: GIS MOTC Convention Center, 5F, No. 24, Section 1, Hangzhou S Rd, Zhongzheng District, Taipei City, Taiwan, R.O.C.

Method: Physical meeting with video meeting for supporting

Virtual meeting Platform: e-Voting Platform by TDCC (<https://stockservices.tdcc.com.tw/evote/index.html?language=EN>)

Number of shares represented by shareholders present: Shares represented by the shareholders in person or proxy totaled 3,340,982,596, (including 3,288,572,573 shares represented by shareholders executing voting rights through e-voting and video meeting for supporting) accounting for 92.65% of the Company's total outstanding 3,605,705,357 shares.

Chairman: Douglas Hsu

Recorder: Vivian Lee

Directors present in person: Douglas Hsu, Peter Hsu and Chi-Kuo Mao, Representatives of Yuan Ding Investment Corporation; Champion Lee and Jeff Hsu, Representatives of Yuan Ding Co., Ltd.; Jyuo-Min Shyu, Independent Director & Chairman of the Audit Committee; Ta-Sung Lee, Independent Director; Chung-Huey Huang, Independent Director; Bonnie Peng, Representative of Asia Investment Corporation; Jiann-Chyuan Wang, Representative of U-Ming Marine Transport Corporation.

Attendees: Yung-Hsiang Chao, CPA, Deloitte & Touche

The aggregate shareholding of the shareholders present constituted a quorum. Pursuant to the Chair's instruction, the Master of Ceremonies declared the opening of the meeting at 9:19a.m.

Chairman's Address (omitted)

I. Matters to be reported:

(1) 2024 Business Report (see Attachment I)

(2) 2024 Financial statements (see Attachment II)

(3) 2024 Audit Committee's review report (see Attachment III)

(4) 2024 directors' and employees' compensation

Explanatory Notes :

1. According to Article 26 of the "Articles of Incorporation", if the Company has surplus, it shall set aside 1%-2% for employees' compensation and set aside no more than 1% as directors' compensation. It is proposed that for year 2024, the Company distributes 2% of the earnings before tax as employees' compensation in the amount of NT\$301,914,180 and distributes 0.6% of the earnings before tax as directors' compensation in the amount of NT\$90,574,254. The distribution will take place in cash.
2. The compensation of the Company's directors will be distributed in accordance with their involvements and contributions to the Companies' operation. How many times, on which date and what conditions to pay the employees' compensation will be determined pursuant to the 2024 Corporate Performance Incentive Plan of the Company.
3. This proposal has been approved by the 4th meeting of the 10th Board of Directors on February 20, 2025 for submitting to the 2025 Annual General Shareholders Meeting for report.
4. Please report.

(5) To update the status of issuance of domestic unsecured corporate bond by the Company within the authorized range of NT\$8 billion

Explanatory Notes :

1. Pursuant to the Article 246, Paragraph 1 of the Company Act, a company may, by a resolution adopted of the Board of Directors, issue for corporate bonds, provided that the reasons for the said action as well as other relevant matters shall be reported to the meeting of shareholders.
2. To fulfill the long-term working capital needs or repayment of debts, the Company is authorized, by Board of Directors made, as of May 3, 2024, to issue domestic unsecured corporate bond, not exceeding NT\$8 billion. The issuance shall be executed within one year.
3. Since the resolution, 1 issuances of unsecured domestic corporate bond for a total amount of NT\$3 billion have been issued. The issuance

details are as follows:

Name	Far EasTone Telecommunications Co., Ltd.1st domestic unsecured corporate bond in 2025.	
Tenor	3 Years	5 Years
Total Amount	NT\$1.5 billion	NT\$1.5 billion
Coupon Rate	1.91%	1.96%
Taipei Exchange Approved Date	March 5, 2025	
Repayment	Bullet repayment	
Use of Proceeds	To repay loan	
The issuance period	2025.03.12-2028.03.12	2025.03.12-2030.03.12
Execution status	The bond is scheduled to be issued on March 12, 2025, and the funds will be fully used to repay loans	

4. Due to alignment with funding requirements and changes in the capital market environment, the remaining NT\$5 billion has not been raised and issued. The authorized issuance quota also expired and became ineffective on May 2, 2025.
5. It is proposed to report the above-mentioned issuance status in the 2025 Shareholders' Meeting according to the Article 246 of the Company Act.
6. Please report.

(6) 2024 Sustainability Development Progress Update

Explanatory Notes :

1. According to Article 5 of the Company's "Sustainable Development Best Practice Principles", the Company's Department of Corporate Relations and Corporate Sustainable Development was established as a dedicated unit to be in charge of proposing and enforcing the sustainable development policies, systems, or relevant management guidelines, and concrete promotional plans for the purpose of managing sustainable development initiatives. The Corporate Social Responsibility Committee was established at the same time and is composed of high-level executives and is responsible for establishing and promoting the Sustainability Strategic Blueprint. Annual meetings are convened to discuss corporate social responsibility proposals, and relevant decisions and implementation results shall be reported by the Committee to the Board of Directors and report such in the shareholders' meeting.
2. In accordance with the aforementioned regulations, 2024 Sustainability Development Progress Update as the follows:
 - (1) **Sustainability Report** :

(1) Environmental Aspect :

i. Internal Initiatives: Promoting Low-Carbon Operations

Following the merger of FET and APT, FET has renewed its SBTi 1.5°C certification and its net-zero target by 2048. The FET headquarters building has received Green Building Label (EEWH) – the "Diamond Level Green Building" certification. Additionally, it has been certified by the Ministry of the Interior as a "Building Energy Efficiency Level 1+" near-zero carbon building. The honors as the first telecommunications company in Taiwan to achieve dual top-level green building certifications for an existing building.

ii. External Initiatives: Driving Supplier's Carbon Reduction Actions

For four consecutive years (2020–2023), FET has achieved an A Leadership rating in the CDP Supplier Engagement Assessment, FET has also published Taiwan's first sustainability procurement report, independently verified by a third-party accounting firm, enhancing supply chain resilience and demonstrating its commitment to carbon reduction.

(2) Social Aspect :

i. Internal Initiatives: Creating a Healthy and Inclusive Workplace, FET Recognized with Six Awards

<HR Asia> Best Companies to Work for in Asia Award; Caring Employer Award issued from Taipei City Government; Talent Sustainability Award issued from the CommonWealth Magazine; Best Employer Brand Award by 104 Job Agency; Happiness Enterprise Gold Award by 1111 Job Agency; Talent Development Leadership Award & Workplace Well-being Leadership by TCSA.

ii. External Initiatives: Enhancing Consumer Safety through Telecommunications Technology

- Leveraging AI to Prevent Fraud: Every month, FET blocks nearly 100,000 fraudulent calls, issues 40,000 warning voice messages, intercepts approximately 200,000 scam text messages, and filters phishing websites, preventing around 40 million risky clicks.
- 5G remote medical services applications : Provides 5G remote medical services across 15 counties and 56 township health centers, serving over 45,000 people. The 5G ambulance public welfare project has been implemented in 10 counties and cities, assisting approximately 32,000 people. 78 medical institutions have applied for telemedicine services, establishing 213 virtual clinics, with nearly 40,000 patient visits recorded.

(3) Governance Aspect :

- i. Ranked No.1 globally in the telecommunications industry on the DJSI World Index.
- ii. Honored with the Most Prestigious Sustainability Awards-Top Ten Domestic Corporates by TCSA.

(2) Key Decisions :

1. Revision of the Environmental & Energy Policy.
2. Revision of the Biodiversity and Non-Deforestation Commitments.
3. Revision of the Stakeholder Engagement Principles.
4. Revision of the Occupational Health and Safety Policy.

3. Please report.

(7) To report the amendments of the “Code of Conduct” & “Ethical Corporate Management Best Practice Principles”

Explanatory Notes :

1. The amendments to Article 7, Paragraph 2 of the company’s “Code of Conduct”. The amendment comparison table please refer Attachment IV.
2. The amendments to Article 9 of the company’s “Ethical Corporate Management Best Practice Principles”. The amendment comparison table please refer Attachment V.
3. The amendments of the “Code of Conduct” and “Ethical Corporate Management Best Practice Principles” will be submitted to the 2025 Annual General Shareholders’ Meeting for report.
4. Please report.

II. Matters to be ratified

(1) 2024 financial statements (including 2024 business report)

(Proposed by the Board of Directors)

Explanatory Notes :

1. 2024 business report and the 2024 annual financial statements and consolidated financial statements as of December 31, 2024 have been audited by the Company's auditing CPAs, Yung-Hsiang Chao and Chih-Ming Shao of Deloitte and Touche. Audit Committee of the Company has reviewed the Financial Statements for the year ended December 31, 2024 and issued audit reports
2. This proposal has been approved by the 4th meeting of the 10th Board of Directors on February 20, 2025.
3. Please ratify.

Voting Results:

Shares represented at the time of voting: 3,340,982,596

Voting Results	% of the total represented share present
Votes in favor: 3,205,213,793 votes (Including executing voting rights through e-voting 3,153,281,215 votes and through video meeting for supporting 0 vote)	95.94%
Votes against: 549,138 votes (Including executing voting rights through e-voting 549,138 votes and through video meeting for supporting 0 vote)	0.01%
Votes invalid: 0 vote	0.00%
Votes abstained: 135,219,665 votes (Including executing voting rights through e-voting 134,742,220 votes and through video meeting for supporting 0 vote)	4.05%

RESOLVED, the above proposal was accepted as submitted.

(2) 2024 retained earnings distribution

(Proposed by the Board of Directors)

Explanatory Notes :

1. According to the Company's Articles of Incorporation, Article 26, if there is a surplus after the annual settlement, the company may distribute the surplus to shareholders after paying all taxes and covering any losses. The remaining surplus, along with the accumulated undistributed surplus from the previous year, will be distributed as dividends to shareholders or retained, as decided by the shareholders' meeting.
2. The Company plans to distribute a total of NT\$11,494,988,678 from retained earnings, equivalent to NT\$3.188 per share.
3. The company's earnings distribution table for the year 2024, please refer Attachment VI.
4. If the outstanding shares are impacted due to the Company's subsequent capital increase or other matters before the ex-cash dividend record date, it is proposed the Board of Directors be authorized by the Shareholders' Meeting to adjust the ultimate cash to be distributed to each common share based on the number of actual outstanding shares on the ex-cash dividend record date. The cash dividend of individual shareholders will be round down to and distributed in integer of New Taiwan Dollar, with fractions of the Dollar of the cash dividend of each shareholder be reduced and be accounted for as the other income of the Company.
5. This proposal has been approved by the 4th meeting of the 10th Board of Directors on February 20, 2025. It is proposed that the Board authorizes the Chairman to fix the record date of ex-cash dividend after the approval by the 2025 annual General Shareholders' Meeting.
6. Please ratify.

Voting Results:

Shares represented at the time of voting: 3,340,982,596

Voting Results	% of the total represented share present
Votes in favor: : 3,206,811,554 votes (Including executing voting rights through e-voting 3,154,878,976 votes and through video meeting for supporting 0 vote)	95.98%
Votes against: : 207,111 votes (Including executing voting rights through e-voting 207,111 votes and through video meeting for supporting 0 vote)	0.01%
Votes invalid: : 0 vote	0.00%

<p>Votes abstained: : 133,963,931 votes</p> <p>(Including executing voting rights through e-voting 133,486,486 votes and through video meeting for supporting 0 vote)</p>	<p>4.01%</p>
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RESOLVED, the above proposal was accepted as submitted

III. Matters to be discussed

(1) To discuss and approve the cash distribution from capital surplus

(Proposed by the Board of Directors)

Explanatory Notes:

1. According to Article 241 of the Company Act, if the company has no losses, it may distribute the legal reserve and capital surplus in the form of new shares or cash to shareholders in proportion to their original shareholdings.
2. The Company plans to distribute a total of NT\$1,341,322,393 from capital surplus, equivalent to NT\$0.372 per share.
3. If the outstanding shares are impacted due to the Company's subsequent capital increase or other matters before the ex-cash distribution record date, it is proposed the Board of Directors be authorized by the Shareholders' Meeting to adjust the ultimate cash to be distributed to each common share based on the number of actual outstanding shares on the ex-cash distribution record date. The cash dividend of individual shareholders will be round down to and distributed in integer of New Taiwan Dollar, with fractions of the Dollar of the cash dividend of each shareholder be reduced and be accounted for as the other income of the Company.
4. This proposal has been approved by the 4th meeting of the 10th Board of Directors on February 20, 2025. It is proposed that the Board authorizes the Chairman to fix the record date of ex-cash distribution after the approval by the 2025 annual General Shareholders' Meeting.
5. In Ratification Proposal 2, it is proposed the Company distributes cash of NT\$11,494,988,678 from the retained earnings at NT\$3.188 per share. With the cash distribution of NT\$0.372 per share from capital surplus, totaling cash NT\$3.56 per share of 2024.
6. Please approve.

Voting Results:

Shares represented at the time of voting: 3,340,982,596

<p>Voting Results</p>	<p>% of the total represented share present</p>
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Votes in favor: : 3,206,838,658 votes (Including executing voting rights through e-voting 3,154,906,080 votes and through video meeting for supporting 0 vote)	95.98%
Votes against: : 214,521 votes (Including executing voting rights through e-voting 214,521 votes and through video meeting for supporting 0 vote)	0.01%
Votes invalid: : 0 vote	0.00%
Votes abstained: : 133,929,417 votes (Including executing voting rights through e-voting 133,451,972 votes and through video meeting for supporting 0 vote)	4.01%

RESOLVED, the above proposal was accepted as submitted.

(2) To discuss and approve the amendment of “Articles of Incorporation”

(Proposed by the Board of Directors)

Explanatory Notes:

1. According to the Article 14, Paragraph 6 of the Securities and Exchange Act, a company whose stock is listed for trading on a stock exchange or over-the-counter securities exchange shall specify in its articles of incorporation that a certain percentage of its annual earnings shall be allocated for salary adjustments or compensation distributions for its non-executive employees. The definition of non-executive employees is non Manager and salary level below the certain amount. This “certain amount” is reviewed by the company based on the operating conditions and the provision of regular wage for non-executive employee in the Principle for Addition and Deduction of Salary Expenses for Small and Medium-sized Enterprise Employees. Therefore, it is proposed to amend the Article 26, Paragraph 1 of the articles of Incorporation of the Company, The amendment comparison table please refer Attachment VII.
2. This proposal has been approved by the 4th meeting of the 10th Board of Directors on February 20, 2025.
3. Please approve.

Voting Results:

Shares represented at the time of voting: 3,340,982,596

Voting Results	% of the total represented share present
Votes in favor: : 3,203,172,948 votes (Including executing voting rights through e-voting 3,151,240,370 votes and through video meeting for supporting 0 vote)	95.88%
Votes against: : 3,464,639 votes (Including executing voting rights through e-voting 3,464,639 votes and through video meeting for supporting 0 vote)	0.10%
Votes invalid: : 0 vote	0.00%
Votes abstained: : 133,345,009 votes (Including executing voting rights through e-voting 133,867,564 votes and through video meeting for supporting 0 vote)	4.02%

RESOLVED, the above proposal was accepted as submitted.

(3) To discuss and approve the issuance of Employee Restricted Stock Awards for Year 2025

(Proposed by the Board of Directors)

Explanatory Notes:

1. To attract and retain corporate executives and critical talents and to link their compensation with shareholders' medium- and long-term interests and ESG (Environmental, Social, Governance) achievements, the Company hereby establishes these Employee Restricted Stock Awards Rules for Year 2025 for the issuance of Employee Restricted Stock Awards. The key points of issuance are as follows:
 - (1) Expected total shares to be issued: the total number of issued shares will not exceed 2,000,000 common shares, with a par value of NT\$10 per share. The actual number of shares to be issued will be resolved by the Board of Directors after the issuance of Restricted Stock Awards (hereinafter referred as "RSAs") is approved both at the shareholders' meeting of the Company and by the competent authority.
 - (2) Eligibility and the number of shares employees may be granted:
 - (I) Only executive officers of the Company or selected critical talents of the Company who are employed full time as of the date of the

granting of the RSAs and who meet certain performance requirements are eligible for this incentive plan. Eligible employees must also be those who (a) have a significant influence on the Company's operational decisions or (b) are the Company's selected critical talents for its core competencies and strategy development.

(II) The number of shares granted to eligible employees will be determined by Chairman and approved by the Board of Directors by reference to the allocation principles determined based on the Company's business performance and the employee's job grade, performance, and other factors as deemed appropriate. Before submitting it to the Board of Directors for approval, the grants to executive officers and to non-executive officers shall be subject to the approval by the Remuneration Committee and by the Audit Committee of the Company respectively.

(3) Major terms and conditions of the RSAs:

(I) Expected issue price: Grants will be made free of charge.

(II) Vesting conditions

1. If an employee, after having been granted a restricted stock award,
 - 1.1 remains on the job on the vesting date.
 - 1.2 during performance period, is determined by the Company employee works for, as having not violated the employment contract, trust agreement, ethical corporate management best practice principles, code of conduct, work rules or non-compete and non-disclosure agreement of the Company.
 - 1.3 met both the personal performance indicators and operational goals set by the Company, the proportions of the vesting shares to be granted for such employees on the vesting date each year are as follows:
 - (a) On the job for 1 year after granting: 30%
 - (b) On the job for 2 years after granting: 30%
 - (c) On the job for 3 years after granting: 40%
2. Personal performance indicator(s): A performance rating of 'Accomplished' or above for the most recent fiscal year prior to the end of each vesting period.
3. The operational goals of the Company use total shareholder return (TSR), Earnings per share (EPS) and ESG Target as performance indicators. Listed below are the performance targets and weighting for the indicators. Targets are set for each indicator. Indicators that have achieved the target, the number of vested shares in the year is calculated according to the corresponding weighting, otherwise, the corresponding weighting is 0%. The performance period refers to the fiscal year of the most recent annual financial statement audited by a certified public accountant before the vesting date. Performance indicators are based on the consolidated financial statements audited by a certified public accountant corresponding to the period required by the indicators.

Indicator	Weighting	Target
Total Shareholder Return (TSR)	33%	Company's TSR ranking relative to the Taiwan 50 constituent stocks (Note 1) <ul style="list-style-type: none"> P25 or above: Vested share ratio is 100% Below P25 and TSR >0: Vested share ratio is 50%
Earnings per Share (EPS)	33%	Earnings per Share relative to the previous year: <ul style="list-style-type: none"> YoY > 0: Vested share ratio is 100%
ESG	34%	Vesting based on whether the company is included in the Dow Jones Sustainability Index (DJSI): <ul style="list-style-type: none"> Inclusion in the World Index: Vested share ratio is 100% Inclusion in the Emerging Markets Index: Vested share ratio is 50%

Note 1: The total shareholder return is calculated based on the closing prices of the company's stock and the Taiwan 50 Index on the day before the first day of the performance indicator period as the initial stock price, and the closing prices on the last day of the period as the final stock price, plus dividends (if any). The sources of stock price and dividend information are the Taiwan Stock Exchange and Bloomberg financial database.

(III) Handling of Employees Not Meeting Vesting Conditions or in Case of Inheritance: If an employee does not meet the vesting conditions, the company will reclaim the allocated shares without compensation and cancel them. In exceptional cases (including but not limited to inheritance), the handling will be in accordance with the issuance regulations for Employee Restricted Stock Awards for Year 2025.

(4) Estimated expenses, Dilution of Earnings Per Share, and Other Impacts on Shareholder Equity: Based on the vesting conditions described in section (3) (II) above, the estimated expense is approximately NT\$176 million. Assuming issuance in early March 2026, the estimated expenses for 2026 to 2029 are approximately NT\$85 million, NT\$59 million, NT\$28 million, and NT\$4 million respectively. Based on the current number of shares issued by the company, the estimated impact on earnings per share for 2026 to 2029 is approximately NT\$0.024, NT\$0.016, NT\$0.008, and NT\$0.001 respectively. The potential dilution of earnings per share is considered limited, and therefore, there is no significant impact on shareholder equity.

(5) The company will handle the issuance of the restricted stock award shares through a stock trust custody arrangement.

(6) In the event that any conditions of the restriction stock awards need to be revised or adjusted due to regulatory authority review requirements or amendments to relevant laws and regulations, it is proposed to seek authorization from the shareholders' meeting to grant the Board of Directors or its authorized persons full authority to handle all matters related to the issuance of RSAs.

2. For the Employee Restricted Stock Awards Rules for 2025, please refer the page 57-64 for the amendment.

3. This proposal has been approved by the 4th meeting of the 10th Board of Directors on February 20, 2025.

4. Please approve.

Voting Results:

Shares represented at the time of voting: 3,340,982,596

Voting Results	% of the total represented share present
Votes in favor: : 3,181,293,789 votes (Including executing voting rights through e-voting 3,129,361,211 votes and through video meeting for supporting 0 vote)	95.22%
Votes against: : 25,143,702 votes (Including executing voting rights through e-voting 25,143,702 votes and through video meeting for supporting 0 vote)	0.75%
Votes invalid: : 0 vote	0.00%
Votes abstained: : 134,545,105 votes (Including executing voting rights through e-voting 134,067,660 votes and through video meeting for supporting 0 vote)	4.03%

RESOLVED, the above proposal was accepted as submitted.

Shareholders' inquiries and the Company's responses:

Shareholder's inquiry (shareholder account #0030106):

Far EastOne, as a member of RE100 and a company using the SBTi scenario, aims to achieve a 30% share of renewable energy in its electricity consumption by 2030. What is the progress towards this goal in 2024? How will the 5% target for 2025 be achieved? Will the procurement of renewable energy impact profitability?

Following the Chairman's directive, the President has responded as follows:

1. Far EasTone achieved a 2.5% share of renewable energy in its electricity consumption in 2024, surpassing the original target of 1.6%.
2. Far EasTone continues to build its own solar power plants and signs power purchase agreements with electricity suppliers. It regularly monitors the supply of renewable energy and adjusts accordingly to ensure the effective achievement of the 5% renewable energy target for 2025.
3. Far EasTone Telecom has assessed the potential cost impacts of renewable energy procurement at each stage and implemented various energy-saving measures. In the long run, this can achieve cost-saving benefits, and a stable supply of green electricity can reduce cost uncertainties caused by energy price fluctuations.

Shareholder's inquiry (shareholder account #0000005):

Far EasTone has been consecutively selected as one of the top 5% companies in the S&P Global 2025 Sustainability Yearbook and has recently signed corporate green power contracts to advance the RE100 carbon reduction goals. Could you please share further details about your company's future plans in the field of sustainable development and ESG?

Following the Chairman's directive, the President has responded as follows:

1. Environmental Aspect (E):
 - Strategy 1: "Internal energy saving and carbon reduction, low-carbon operations."
 - Strategy 2: "Driving suppliers to reduce carbon emissions."
 - Strategy 3: Actively deploying green energy through both self-construction and procurement; complementing solar and wind power.
2. Social Aspect (S):

Theme: "Safe and Inclusive." We take care of our employees by creating a healthy and friendly workplace environment. Externally, we promote public welfare through telecommunications technology. Key projects include AI fraud prevention, 5G remote diagnosis & diverse applications, and Far EasTone's network balancing environmental protection and safety, making people's lives safer and more convenient.
3. Governance Aspect (G): Sustainable Operations" are strengthened through four dimensions to enhance governance effectiveness and promote the company's business development:
 1. Digital Governance.
 2. Managing cybersecurity risks.
 3. AI empowerment to enhance productivity.
 4. Stable growth and value addition in core business, continuous innovation and alliances to expand the scale of new economic growth.

Shareholder's inquiry (shareholder account #0028468):

1. In the 2023 Sustainability Report, Far EasTone disclosed the goal of "continuously focusing on reducing the impact of the supply chain on biodiversity, setting a target for 85% of the top 100 suppliers to sign the 'Biodiversity Commitment' by 2024." What is the progress towards this goal? What were the biggest difficulties or challenges encountered during implementation?
2. Observing that domestic telecom peers have independently released Taskforce on Nature-related Financial Disclosures (TNFD) reports and completed assurance, providing clearer disclosure of nature-related financial impacts and response measures, does your company have similar plans?

Following the Chairman's directive, the President has responded as follows:

1. As of now, the achievement rate for the top 100 suppliers signing the "Biodiversity Commitment" in 2024 has reached 95%, surpassing the original target of 85%. This success is attributed to the active support and cooperation of major domestic suppliers.

However, we faced some challenges during implementation, particularly with smaller foreign suppliers. Due to not being directly bound by relevant Taiwanese regulations, these suppliers were relatively less willing to sign the commitment. Additionally, regional differences and insufficient understanding of regulations increased the difficulty of communication and coordination.

To address these challenges, we will continue to strengthen communication and education with international suppliers and enhance biodiversity awareness through more collaboration opportunities, aiming to further increase the signing rate in the future.

2. Far EasTone has prepared a report based on the Taskforce on Nature-related Financial Disclosures (TNFD) framework, which includes sections on governance organization and responsibilities, biodiversity and deforestation commitments, operational site positioning and ecological hotspots, identification of dependencies and impacts, risk and opportunity assessment, and setting indicators and targets. The TNFD report is expected to be published on Far EasTone's official website in Q4 2025, and the report file will be sent to your company for reference.

Shareholder's inquiry (shareholder account #0077742):

The Financial Supervisory Commission (FSC) has released the second edition of the 'Guidelines for Identifying Sustainable Economic Activities,' encouraging companies to disclose the applicability and compliance of their economic activities with the guidelines and their transition plans. Does your company plan to disclose this information? And what is the expected timeline?

Following the Chairman's directive, the President has responded as follows:

The company has complied with the Taiwan Sustainable Taxonomy based on applicability and compliance. Please refer to page 146 of our 2023 Sustainability Report for the summary table of sustainable classified activities.

Shareholder's inquiry (shareholder account #0072092):

Given that a domestic telecom peer has paid out dividends exceeding 100% this year, is there a possibility that Far EasTone will resume distributing over 100% starting next year, as in previous years? Could you provide any guidance on your future dividend payout policy?

Following the Chairman's directive, the President has responded as follows:

Far EasTone has consistently maintained a prudent and stable dividend policy. Looking ahead, we remain committed to this approach and aim to grow dividends in line with the company's earnings performance.

IV. Extempore Motion

None

V. Motion to Adjourn

Attachment I

Dear Shareholders,

Looking back at 2024, the global situation remained turbulent, with geopolitical tensions, economic fluctuations, and climate change challenges prompting industries to accelerate digital transformation and innovation. Against this backdrop, Far Eastone (FET) has been actively advancing network integration and resource consolidation since completing its merger with Asia Pacific Telecom (APT) in December 2023. This strategic move has expedited the realization of merger synergies, maximized spectrum efficiency, and accelerated the expansion of 5G coverage and telecom service revenue growth. Additionally, FET led the industry by successfully phasing out its 3G network ahead of its peers, ensuring the highest-quality, safest, and most environmentally friendly network services for customers. Through the collective efforts of the management team and all employees, FET has not only fostered healthy market competition but also enhanced the network experience and provided smart ICT solutions for both consumers and enterprise customers, further scaling up new economy business growth. In 2024, FET once again achieved record-breaking performance, with key financial indicators leading the industry. Notably, its total revenue and net income recorded the highest year-over-year growth among the 3 major operators. This success highlights the company's superior operational strategies and strong market competitiveness, driving significant overall value creation.

Merger Synergies and Operational Results

Revenue Exceeds NT\$100 Billion, Reaching a Historic High

Core Business Profits Achieve Double-Digit Growth for Three Consecutive Years, the Highest in the Industry

In 2024, FET demonstrated outstanding operational performance, benefiting from APT merger synergies, the steady user upgrade to 5G, and the continuous growth of new economy business revenue. FET successfully exceeded NT\$100 billion mark in revenue, reaching a historic high. For the full year, consolidated revenue reached NT\$104.62 billion, reflecting a year-over-year growth rate of 11.7%. Consolidated EBITDA (earnings before interest, taxes, depreciation, and amortization) amounted to NT\$36.31 billion, an increase of 13.2%. Net income rose to NT\$12.84 billion, marking a 14.8% year-over-year increase. All three indicators set new highs in the past 18 years. The core business profits achieved double-digit growth for the third consecutive year, ranking the highest in the industry. Earnings per share (EPS) for 2024 stood at NT\$3.56, exceeding the financial forecast by 15% and setting a new 11-year record!

Merger Synergies Drive Record-High Mobile Service Revenue

Following the completion of its merger with APT on December 15, 2023, FET immediately launched a meticulously planned mobile network integration. By January 2024, the first phase of base station consolidation was successfully completed, enhancing network quality and coverage. This initiative facilitated the seamless migration of former APT customers to FET's network and service plans, while existing FET subscribers continued their steady upgrades to 5G. Additionally, driven by the demand for device upgrades, FET's 5G postpaid subscriber penetration rate exceeded 43% by the end of 2024, ranking first among the three major operators. Moreover, Average Revenue Per User (ARPU) has shown 12 consecutive months of steady growth since the merger, maintaining its position as the highest in the industry. FET's postpaid subscriber base has

demonstrated seven consecutive years of positive growth, while customer churn remained at a stable low of below 1% in 2024. These strong fundamentals propelled mobile service revenue to a year-over-year growth rate of 17.1%, surpassing NT\$60 billion, marking its highest level in eight years. Notably, FET has also achieved 46 consecutive months of positive growth in mobile service revenue since March 2021.

Driving Digital Innovation and Transformation, Creating Value, and Fulfilling Corporate Social Responsibility

Four Key Areas Propel Smart ICT Revenue to a Record High

FET has leveraged 5G and its "Big Figures" technologies—big data, AI, and the Internet of Things (IoT)—to accelerate digital transformation across four key sectors: **Digital Transformation**, **Sustainable Smart City**, **Telecom Based System Integration**, and **Smart Healthcare** for years. By partnering with enterprises and government agencies, FET has facilitated upgrades and transformations while developing green ICT solutions such as energy management, microgrids, and smart charging systems, advancing both digital and net-zero transformation. With strong contributions from these four areas, FET's smart ICT service revenue continued its double-digit year-over-year growth in 2024, reaching a historic high.

In terms of **Digital Transformation**, FET was the first telecom operator in Taiwan to obtain the Microsoft Licensing Solution Partner (LSP) certification. FET's outstanding capabilities in corporate sustainability were further recognized with the 2024 Golden Eternity Award (Gold Award) by the ESG World Citizens & Digital Governance Foundation. FET has leveraged generative AI technologies to enhance operational efficiency and applied its low-carbon operational expertise to provide green ICT solutions such as energy management and smart building systems. These solutions are widely implemented across the manufacturing, healthcare, and government sectors, helping businesses accelerate their digital transformation and carbon reduction goals, while promoting sustainable development.

FET has consistently achieved significant milestones in the field of **Sustainable Smart City**, taking on large-scale smart meter IoT projects and various public electric vehicle (EV) charging initiatives. Notably, FET collaborated with the Hsinchu City Government to build Taiwan's first public EV charging station for electric buses, helping to drive the green transportation transformation. Additionally, FET deployed over 200 charging stations in public parking lots. FET also assisted the Taipei City Government in implementing an AI-powered smart image detection system, improving traffic incident handling efficiency, and earning a Special Award from the Ministry of Transportation and Communications. Furthermore, FET, in partnership with its subsidiary Prime EcoPower, secured a project with Taiwan International Ports Corporation (TIPC) for a smart energy management system. The project spans across key areas, including fiber optic cables, solar photovoltaics, energy storage, and microgrid applications, covering ports in Kaohsiung, Budai, Anping, and Makung. At the same time, FET continues to drive smart transportation through 5G and ESG-related technologies, successfully supporting Taipei's bid to host the 2029 World Congress on Intelligent Transport Systems, further elevating Taiwan's international visibility.

In the field of **Telecom Based System Integration**, FET combines its expertise in ICT and smart green building management to help enterprises build large-scale fiber optic networks and smart buildings, providing integrated wiring and intelligent management services to create smart and sustainable living environments. For example, FET helped develop the Smart Operation Management Platform for the Kaohsiung Port Cruise Terminal, enabling full-system smart integration and data analytics. This innovation significantly improved operational efficiency, earning the 2024 TIBA (Taiwan Intelligent Building Association) AWARD for Taiwan's Excellent Smart Green Building and System Products, with the Platinum Award in the System Category.

The system incorporates smart building, microgrid, and environmental control management, utilizing AI to optimize energy usage and operational efficiency, helping Kaohsiung Port become a world-class sustainable smart port.

Smart Healthcare and 5G Telemedicine Enhance Health and Well-being

FET continues to achieve outstanding results in the **Smart Healthcare** field. Leveraging its 5G network and its homegrown telemedicine platform, FET has integrated various services such as the appointment system, video consultations, medical imaging and data, hospital consultations, and electronic prescriptions into a single platform. Starting with remote and underserved areas, FET now covers 100% of the mountain and island communities recognized by Ministry of Health and Welfare. Additionally, FET has partnered with Shin Kong Memorial Wu Ho-Su Hospital and Far Eastern Memorial Hospital to export telemedicine platform technology to Palau and Indonesia. The application of 5G telemedicine extends to FET's 5G Ambulance, which enables remote transmission, real-time connections, and timely medical support. This service has been implemented in 12 counties and cities, with a total of 3,200 medical interventions to date. In line with evolving regulations, in 2024, FET extended 5G telemedicine to areas like home-based long-term care and health consultations, contributing to Taiwan's healthcare capacity. In July, following the new regulations of Treatment on Telemedicine, FET launched video outpatient services. So far, 78 medical institutions have applied, and 213 virtual consultation rooms have been opened, accumulating nearly 40,000 outpatient visits. President Lai, along with Minister Chiu of Health and Welfare and Director General Shih of the National Health Insurance Administration, visited Far Eastern Memorial Hospital to inspect the "Home Emergency Care Pilot Program", which is supported by FET's 5G telemedicine. In November, FET donated 100 sets of the "5G Telemedicine Home Emergency Care Solution" to Taiwan's four major medical associations, enhancing primary healthcare with technology and easing the pressure on the healthcare system.

Nextlink Technology Co. Successfully Lists on the Stock Exchange, Becoming the First Subsidiary to Enter the Capital Market

Founded in 2006 and joining the Far EastOne family in 2019, Nextlink Technology Co. focuses on cloud technology. Its core competitive strength lies in cross-cloud platform integration, with strong partnerships established with international cloud leaders such as AWS, Google Cloud, and Microsoft, serving over 2,400 enterprise clients. Nextlink not only excels in cloud security and data applications but also accelerates the adoption of generative AI, helping businesses achieve digital transformation with innovative technology solutions, positioning itself as a key driver of digital cloud services in the Asia-Pacific region. The successful listing of Nextlink in 2024 marks not only a milestone for the company but also for the Far Eastern Group, becoming its 10th listed company. Looking ahead, Nextlink will continue to strengthen its technological capabilities to meet the digital demands in industries undergoing rapid transformation, further establishing itself as a trusted cloud services partner for more enterprises.

Continuing to Forge Alliances with Startups to Drive Digital Transformation and Innovation

Since its establishment at the end of 2021, the FET Startup Accelerator has successfully supported 41 startups, creating over NT\$230 million in digital transformation opportunities and attracting more than NT\$450 million in investments. FET actively collaborates with startup teams, using generative AI technologies to enhance employee productivity and corporate competitiveness. FET helps startups transform their operations, optimize solutions, and expand markets, working together to develop the AI ecosystem. Additionally, FET places great emphasis on cross-departmental collaboration, providing startups with comprehensive guidance through expert teams in various fields, including industry solutions, smart manufacturing, smart cities, and ESG. These collaborations not only accelerate the growth of startups but also facilitate the implementation of 5G,

diverse applications, and innovative business models. The FET Startup Accelerator continues to attract new teams, with the aim of injecting fresh momentum into Taiwan's industrial transformation and boosting the competitiveness of Taiwanese startups in the global market.

Setting a New Benchmark for Digital Lifestyle and Entertainment

FET friDay Video continues to expand its presence in the streaming industry by offering exclusive K-dramas and variety shows, while also focusing on original local productions, showcasing its strong innovation capabilities. In August 2024, FET was ranked No.1 among local OTT platforms in Taiwan for subscription-based usage according to the Taiwan Creative Content Agency (TAICCA). This marks the fourth consecutive time FET has topped TAICCA's surveys, solidifying its position as Taiwan's leading local streaming platform. In October, FET hosted a fan meeting for Korean star Choi Jin-hyuk, drawing enthusiastic participation from fans and strengthening brand engagement. Additionally, Mission Entertainment, a film production company co-founded by FET and industry-leading partners, collaborated on the movie "18x2 BEYOND YOUTHFUL DAYS " and held an exclusive screening event in March, featuring producer Chang Chen and lead actors Greg Hsu and Chen Yan-fei, offering fans an immersive viewing experience. Looking ahead to 2025, FET will further enhance its exclusive membership services by organizing a special concert event for legendary singer Jody Chiang at Taipei Arena, granting priority ticket access to selected subscribers.

Leveraging innovative technology and digital integration, **FET Mobile Circle App** has successfully built a diverse mobile lifestyle ecosystem, offering users a wide range of exclusive services and products across food, entertainment, travel, and daily essentials, along with tangible rewards. As of June 2024, the app reached a major milestone with over 6 million downloads and more than 2 million monthly active users. By the end of 2024, FET was honored with the IDC Future Enterprise Award for Customer Experience Innovation, making it the only telecom company in the Asia-Pacific region to receive this prestigious recognition—demonstrating FET's leadership in digital innovation and customer service. Going forward, FET will continue leveraging data analytics and traffic-driven commerce to expand and enhance its service offerings, driving business growth and creating greater value for customers.

Relentlessly Innovating AI to Block Fraud and Upholding Service Excellence for 13 Consecutive Years

FET has leveraged its telecom expertise to apply AI in analyzing fraud phone behavior, proactively cutting off calls and blocking nearly 100,000 fraudulent calls each month. It also issues warning voice messages for 40,000 overseas calls. FET has maintained a low number of reported fraud numbers on the Criminal Investigation Bureau (CIB)'s 165 anti-fraud hotline since 2019. Additionally, FET has established a semantic model database to cut off fraudulent calls within two hours and proactively block nearly 200,000 fraudulent text messages each month. Furthermore, FET friDay Shopping launched the "Invisible Call" service, where the customer's real phone number is not printed on packages to protect against phone number leakage. In today's world of widespread communication apps, FET has partnered with international cybersecurity giant Allot to introduce the "FET Guardian Network" service, blocking risky websites at the network level. This service blocks more than 40 million risky access attempts each month, safeguarding personal data and property security.

2024 the Best Customer Service in Taiwan – Golden Award, the only company in Taiwan to achieve this honor for 13 years in a row

Regarding customer service, FET has been awarded the "2024 the Best Customer Service in Taiwan – Golden Award" for 13 consecutive years, the only company in Taiwan to achieve this honor for 13 years in a row. FET has always adhered to the principle of providing convenient, fast, and seamless service across all channels. The store staff's empathetic service spirit shines through in every warm interaction with customers. FET has

also utilized generative AI to enhance customer service capabilities during the merger process, earning recognition from third-party authoritative institutions year after year. Additionally, two FET store managers were awarded the Outstanding Store Manager Award, and 15 were honored as Excellent Store Managers. In the 18th Golden Torch Awards, FET won the Top 10 Outstanding Products” & “Excellent Customer Satisfaction”, the only telco to receive these honors

AI Empowerment for a Happy Workplace, Co-creating the Best Employer Model

In 2024, FET introduced Microsoft's generative AI tool, Copilot, to empower employees by reducing repetitive tasks and improving work efficiency. The tool's application scenarios were shared at employee meetings, and experience exchange was promoted through departmental seeds to help AI technology practically assist work and enhance employee experience. Upholding the spirit of 'care,' FET launched several innovative initiatives to improve employee well-being. For example, the introduction of 'Care Leave' to support health management and family care; the implementation of 'Flexible Attendance Hours' and 'Remote Work Modes' to achieve a balance between work and life; and the offering of 'In-Office Sports Classes,' fully funded by the company, encouraging employees to exercise during work hours, balancing health and career. Furthermore, FET provides benefits beyond the regulations, including free health checkups every two years and additional subsidies for employees over 40 for their annual checkups. Combining its Health+ telemedicine platform, FET also offers health report interpretation and medical consultations, fully caring for employees and their families. These talent care and innovative initiatives earned FET multiple accolades in 2024, including the HR Asia – “Best Companies to Work for in Asia 2024, *CommonWealth* – Talent Sustainability Award, the Friendly Family Quality Enterprise Award from New Taipei City, Taiwan 104 Job Bank – “Best Employer Brand” award, and the 1111 Job Bank - Happy Enterprise Gold Award, making FET a model for a happy workplace and an exceptional employer.

Energy Conservation and Carbon Reduction: Advancing Sustainability

In 2024, FET became the first telecom operator in Taiwan to fully adopt eco-friendly SIM cards, expanding its efforts from telecom operations to low-carbon operations, while utilizing AI to create the most environmentally friendly network. These efforts earned FET numerous accolades, including maintaining its position as the telecom industry leader in the *CommonWealth* Sustainability Award, winning the telecom industry’s only BSI Sustainability Development Excellence Award, and leading the country in TCSA’s Top 10 Award wins. FET also received Diamond-Level Green Building Certification, *CommonWealth Magazine*’s 1.5°C Temperature Control Label, the Ministry of Economic Affairs’ Silver Energy Efficiency Award, and Schneider Electric's Sustainability Impact Award.

FET views sustainability as a core strategy. Six years ago, it initiated a transformation with "Big Figures" technologies —big data, AI, and IoT—to drive internal energy conservation and carbon reduction while promoting green ICT solutions externally. FET’s annual energy consumption is about 600 million kWh, with 75% of that used by base stations. Since the introduction of 5G, FET has leveraged AI site selection, optimized network construction and reduced carbon emissions by 50,000 tons annually. In 2021, FET’s 5G network speed was rated the best globally by an international authority, providing high-quality customer experience while creating a secure and environmentally friendly network. Following its merger with Asia Pacific Telecom, FET completed base station integration in the first quarter, utilizing AI site selection, energy-saving technologies, and energy management systems, saving 86 million kWh of electricity annually and reducing carbon emissions by 43,000 tons—equivalent to the carbon absorption of 110 Da'an Forest Parks.

FET has made significant strides in green ICT, developing numerous applications to meet the energy-saving needs of businesses and government sectors, gaining a market advantage. It also hosted its first Sustainable Governance Workshop, collaborating with supply chain partners to drive low-carbon transformation and published Taiwan's first third-party verified supply chain sustainability report. FET conducted carbon auditing and training for 44 key suppliers and helped over 20 small and medium-sized enterprises in its supply chain develop sustainable governance strategies, working together towards sustainability goals. Additionally, FET's headquarters building has earned the Taiwan Green Building "Diamond Level" certification, demonstrating its commitment to low-carbon operations.

Corporate Social Responsibility Leader: Top Global Telecom in DJSI World Index

FET has long been committed to corporate social responsibility (CSR) and has once again been recognized for its outstanding sustainability performance. FET was included in the latest *Dow Jones Sustainability Index* (DJSI), one of the world's most prestigious sustainability evaluations. FET not only ranked among the top 10% of the world's most sustainable publicly traded companies for six consecutive years, but it also secured a spot in the *DJSI World* index and has ranked #1 in the global telecom industry for two consecutive years!

In supply chain management, FET has earned a "Leadership A-Level" rating for four consecutive years in the global authoritative Carbon Disclosure Project (CDP) supplier engagement ranking. FET also published Taiwan's first third-party verified *Sustainable Supply Chain Report*, underscoring its commitment to building a sustainable supply chain. Additionally, FET has been recognized seven times with the highest honor, "Taiwan's Top 10 Sustainable Enterprises," in the *TCSA Taiwan Corporate Sustainability Awards* and won 13 sustainability awards in this edition, ranking first in total number of awards across all Taiwanese enterprises, solidifying its all-around sustainability strength.

On environmental protection, FET utilizes its technological expertise to promote biodiversity research. For example, in collaboration with Academia Sinica, FET developed a 5G AI ecosystem soundscape collector to monitor the impact of climate change on biodiversity habitats.

FET's long-standing commitment to sustainability has earned it numerous accolades, including being ranked in the top 5% of the *Taiwan Stock Exchange's Corporate Governance Evaluation* for 10 consecutive years. FET was also named in the *S&P Global 2024 Sustainability Yearbook* as one of the "Top 5% Global ESG Performers" and ranked as Taiwan's #1 telecom operator. Additionally, it is the only telecom company in Taiwan to have earned the highest "Leadership A-Level" rating for four consecutive years in the *CDP Climate Change Supplier Engagement* rankings.

Outstanding Performance Recognized by Investors and International Institutions

FET's impressive performance and excellent governance continue to earn recognition from investors. The internationally renowned financial media *FinanceAsia* awarded FET the title of *Asia's Best Managed Companies 2024*. FET received the prestigious *Best CEO* and *Best Mid Cap Company* awards in Taiwan, highlighting its exceptional governance on the international stage. Additionally, FET was recognized by *Institutional Investor*, an authoritative financial magazine, as the *2024 Asia (ex-Japan) Executive Team*. FET became the only telecom company in Taiwan to have been named *Most Honored Company* for four consecutive years. FET's President, Chee Ching, also won *Best CEO in the Telecom Sector* for four consecutive years, making her the only telecom CEO in Taiwan to achieve this distinction.

In the 2024 awards, FET dominated the small- and mid-cap category for the Asia region, winning six top honors: *Best CEO*, *Best CFO*, *Best Investor Relations Professional*, *Best Investor Relations Team*, *Best Board of Directors*, and *Best Overall ESG*. Additionally, FET was ranked *Best Investor Relations Team* and *Best Investor Relations Professional* in the Asia region, excluding China. These recognitions reflect FET's long-term stable management strategy and its commitment to corporate sustainability, earning global financial recognition. In 2024, FET's performance was highly

acknowledged by the capital markets, with its market capitalization rising from NT\$287.7 billion at the beginning of the year to NT\$322.4 billion by year-end, a 12% increase. Its total return, including dividends, surged to 16.1%. FET was the only operator to achieve full recovery of dividend in 2024. Regarding foreign ownership, FET continued to outperform its peers, maintaining the highest foreign ownership ratio in the telecom sector for nine consecutive years.

Commitment to Stable Dividend Policy

FET adheres to a solid management approach and a commitment to rewarding shareholders by maintaining a stable dividend policy over the long term. In July 2025, FET will distribute cash dividends for 2024, with a projected increase of 9.54% per share, reaching NT\$3.56. This reflects FET's high regard for shareholder value, ensuring that every shareholder receives a more substantial return on investment. With a sound financial structure as its foundation, FET continues to promote innovation and growth, securing stable profitability. Thanks to consistent earnings and long-term financial planning, FET not only provides stable returns to shareholders but also focuses on sustainable development, striving for steady growth and becoming a trusted long-term partner for shareholders.

Future Outlook

With a unified vision and unwavering commitment, FET team successfully accomplished numerous challenging tasks in 2024, enabling the gradual realization of economies of scale following the merger. By year-end, FET also successfully listed its subsidiary, Nextlink Technology Co., on the stock market. Looking ahead to 2025, FET will continue to drive synergies from the merger, maximize spectrum efficiency, and accelerate 5G penetration while boosting telecom service revenue. On the consumer front, FET will expand its digital lifestyle services and applications, delivering a seamless and high-quality network experience. For enterprise customers, FET will leverage its robust fixed-line and ICT capabilities to enhance its proprietary smart ICT solutions, further contributing to overall value growth.

FET remains committed to integrating AI to enhance automation and productivity, continuously optimizing corporate processes and collaboration while fostering a thriving workplace. In the face of new challenges and opportunities, FET will persist in innovation, striving to build a world-class network that is high-quality, eco-friendly, and secure. The company will enhance 5G applications, drive the growth of emerging digital businesses, and reinforce cybersecurity and sustainability initiatives to become the preferred choice for more consumers. Furthermore, FET will create greater value for shareholders, achieve environmental sustainability, and promote shared resource prosperity, marking a new milestone in sustainable development.

Chairman

President

Chief Accountant

徐旭東



井靖



張淑珍



Attachment II

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Far EasTone Telecommunications Co., Ltd.

Opinion

We have audited the accompanying financial statements of Far EasTone Telecommunications Co., Ltd. (the "Company"), which comprise the balance sheets as of December 31, 2024 and 2023, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended 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 the 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 Financial Statements section of our report. We are independent of the Company 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 financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the 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 matter of the financial statements for the year ended December 31, 2024 is described as follows:

Recognition of Mobile Telecommunications Service Revenue

Mobile telecommunications service revenue is the main source of the Company's revenue, and it

accounts for 62% of the Company's total revenue for the year ended December 31, 2024. The calculation of mobile telecommunications service revenue relies heavily on automated systems and includes complicated and huge amounts of data transmission. In order to meet market demands and remain competitive, the Company often launches different combinations of products and services. The charge rates of the aforementioned products and services are set manually to systems. Since the effectiveness of the design and implementation of internal controls over systems and rate settings relevant to telecommunications service revenue directly and significantly affects the accuracy of revenue calculation, the recognition of mobile telecommunications service revenue is considered a key audit matter.

For the accounting policies related to mobile telecommunications service revenue, refer to Note 4 to the accompanying financial statements.

By conducting tests of controls, we obtained an understanding of the Company's recognition of mobile telecommunications service revenue and the design and implementation of related controls.

We also engaged internal IT specialists to understand and assess the systems and internal controls relevant to mobile telecommunications service revenue and perform the corresponding audit procedures which are listed as follows. The IT specialists:

1. Identified key systems that processed mobile telecommunications service revenue; assessed and tested the general information technology controls of the aforementioned systems, including access controls and change controls.
2. Tested the completeness and accuracy of interface controls between the switch equipment and the billing systems.
3. Tested the access controls and changes of controls over the input of rates to the billing systems.
4. Tested the accuracy of the billing calculation.
5. Tested the completeness and accuracy of the calculation and billing of monthly fees, airtime fees and value-added service fees.

In coordination with the internal IT specialists, we:

1. Performed dialing tests to verify the accuracy and completeness of the traffic and information on the switch equipment.
2. Sampled user contracts to confirm the accuracy of the billing system information.

For the revenue recognition of billed and unbilled amounts, we conducted the following tests:

1. For the billed amounts, we compared whether there was any difference between the reports generated from the accounting system and the billing system.
2. For the unbilled amounts, we recalculated the service revenue for services provided as of the balance sheet date based on the applied charge rates to confirm the accuracy of the amounts.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities

Issuers, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company 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 Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements.

As part of an audit in accordance with the Standards on Auditing of 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 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 Company'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 Company'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 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 Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 Company to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the 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 statements 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 financial statements for the year ended December 31, 2024 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 audits resulting in this independent auditors' report are Yung-Hsiang Chao and Chih-Ming Shao.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 20, 2025

Notice to Readers

The accompanying financial statements are intended only to present the 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 financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying 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 financial statements shall prevail.

FAR EASTONE TELECOMMUNICATIONS CO., LTD.

BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4, 6 and 30)	\$ 2,050,097	1	\$ 1,596,278	1
Financial assets at fair value through profit or loss (Notes 4 and 29)	6,498	-	-	-
Financial assets at amortized cost - current (Notes 4 and 30)	24	-	55,252	-
Contract assets - current (Notes 4, 5 and 21)	5,601,943	3	5,286,701	3
Accounts receivable, net (Notes 4, 5 and 8)	9,609,712	6	8,399,610	4
Accounts receivable - related parties (Notes 4, 5, 8 and 30)	537,713	-	617,294	-
Other receivables - related parties (Notes 4 and 30)	143,496	-	116,130	-
Inventories (Notes 4 and 9)	2,513,092	2	2,301,584	1
Prepaid expenses	947,556	-	919,558	1
Other financial assets - current (Notes 4, 30 and 31)	483,269	-	543,332	-
Other current assets (Note 4)	80,340	-	224,675	-
Total current assets	<u>21,973,740</u>	<u>12</u>	<u>20,060,414</u>	<u>10</u>
NONCURRENT ASSETS				
Financial assets at fair value through other comprehensive income - noncurrent (Notes 4, 7 and 29)	683,533	-	550,793	-
Investments accounted for using the equity method (Notes 4, 10 and 30)	31,143,857	16	30,306,879	15
Contract assets - noncurrent (Notes 4, 5 and 21)	4,447,746	2	4,119,329	2
Property, plant and equipment, net (Notes 4, 5, 11 and 30)	31,149,758	16	33,987,250	17
Right-of-use assets (Notes 4, 5, 12 and 30)	8,405,468	4	10,204,076	5
Investment properties (Notes 4 and 13)	831,955	-	869,655	-
Concessions, net (Notes 4, 5 and 14)	60,361,311	33	66,306,785	34
Goodwill (Notes 4, 5 and 14)	18,515,999	10	18,515,999	9
Other intangible assets (Notes 4, 5, 14 and 30)	3,566,295	2	4,061,751	2
Deferred income tax assets (Notes 4, 5 and 23)	941,514	-	874,413	1
Refundable deposits (Note 30)	1,090,729	1	914,758	1
Incremental costs of obtaining a contract - noncurrent (Notes 4, 5 and 21)	5,576,580	3	6,513,085	3
Other noncurrent assets (Notes 4 and 8)	1,015,146	1	1,583,153	1
Total noncurrent assets	<u>167,729,891</u>	<u>88</u>	<u>178,807,926</u>	<u>90</u>
TOTAL	<u>\$ 189,703,631</u>	<u>100</u>	<u>\$ 198,868,340</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities - current (Notes 4 and 21)	\$ 2,380,438	1	\$ 2,340,471	2
Notes payable	4,191	-	14,001	-
Accounts payable	4,755,480	3	4,210,318	2
Accounts payable - related parties (Note 30)	680,172	-	592,106	-
Other payables (Note 17)	5,963,448	3	6,683,738	3
Other payables - related parties (Note 30)	12,761,916	7	12,155,247	6
Current tax liabilities (Notes 4, 5 and 23)	2,173,389	1	1,728,323	1
Lease liabilities - current (Notes 4, 12, 27, 29 and 30)	2,793,712	2	3,604,302	2
Current portion of long-term borrowings (Notes 4, 15, 16 and 29)	6,299,421	3	9,198,734	4
Guarantee deposits received - current	127,319	-	140,336	-
Other current liabilities (Notes 4 and 18)	1,508,403	1	1,349,324	1
Total current liabilities	<u>39,447,889</u>	<u>21</u>	<u>42,016,900</u>	<u>21</u>
NONCURRENT LIABILITIES				
Bonds payable (Notes 4, 16 and 29)	23,780,842	13	26,577,681	14
Long-term borrowings (Notes 4, 15 and 29)	21,145,000	11	25,598,964	13
Provisions - noncurrent (Notes 4 and 18)	1,172,431	1	1,082,130	1
Deferred income tax liabilities (Notes 4 and 23)	2,291,061	1	2,176,955	1
Lease liabilities - noncurrent (Notes 4, 12, 27, 29 and 30)	5,225,280	3	6,147,388	3
Net defined benefit liabilities - noncurrent (Notes 4 and 19)	333,739	-	395,773	-
Guarantee deposits received - noncurrent	324,681	-	296,731	-
Other noncurrent liabilities (Notes 4, 10 and 17)	4,837,468	2	4,593,634	2
Total noncurrent liabilities	<u>59,110,502</u>	<u>31</u>	<u>66,869,256</u>	<u>34</u>
Total liabilities	<u>98,558,391</u>	<u>52</u>	<u>108,886,156</u>	<u>55</u>
EQUITY				
Capital stock				
Common stock	36,057,054	19	36,057,054	18
Capital surplus	21,362,840	11	23,490,559	12
Retained earnings				
Legal reserve	20,471,766	11	19,603,354	10
Special reserve	548,192	-	2,235,038	1
Unappropriated earnings	12,855,390	7	8,685,461	4
Total retained earnings	33,875,348	18	30,523,853	15
Other equity	(150,002)	-	(89,282)	-
Total equity	<u>91,145,240</u>	<u>48</u>	<u>89,982,184</u>	<u>45</u>
TOTAL	<u>\$ 189,703,631</u>	<u>100</u>	<u>\$ 198,868,340</u>	<u>100</u>

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

FAR EASTONE TELECOMMUNICATIONS CO., LTD.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 21 and 30)	\$ 80,860,217	100	\$ 70,133,452	100
OPERATING COSTS (Notes 4, 9, 22 and 30)	<u>53,712,705</u>	<u>66</u>	<u>46,362,175</u>	<u>66</u>
GROSS PROFIT	<u>27,147,512</u>	<u>34</u>	<u>23,771,277</u>	<u>34</u>
OPERATING EXPENSES (Notes 4, 22 and 30)				
Marketing	10,612,274	13	8,737,568	12
General and administrative	4,480,520	6	3,880,771	6
Expected credit losses	<u>279,691</u>	<u>-</u>	<u>246,698</u>	<u>-</u>
Total operating expenses	<u>15,372,485</u>	<u>19</u>	<u>12,865,037</u>	<u>18</u>
OTHER INCOME AND EXPENSES (Note 4)	<u>1,031,157</u>	<u>1</u>	<u>823,581</u>	<u>1</u>
OPERATING INCOME	<u>12,806,184</u>	<u>16</u>	<u>11,729,821</u>	<u>17</u>
NONOPERATING INCOME AND EXPENSES (Notes 4, 8, 22 and 30)				
Other income	222,910	-	237,023	-
Other gains and losses	151,415	-	22,232	-
Financial costs	(1,094,382)	(1)	(916,705)	(1)
Share of the gains of subsidiaries and associates	2,676,352	3	2,185,165	3
Losses on disposal of property, plant and equipment and intangible assets	<u>(77,373)</u>	<u>-</u>	<u>(110,511)</u>	<u>-</u>
Total nonoperating income and expenses	<u>1,878,922</u>	<u>2</u>	<u>1,417,204</u>	<u>2</u>
INCOME BEFORE INCOME TAX	14,685,106	18	13,147,025	19
INCOME TAX (Notes 4 and 23)	<u>1,842,205</u>	<u>2</u>	<u>1,961,107</u>	<u>3</u>
NET INCOME	<u>12,842,901</u>	<u>16</u>	<u>11,185,918</u>	<u>16</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 19, 20 and 29)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	35,493	-	(10,844)	-
Unrealized losses on investments in equity instruments designated as at fair value through other comprehensive income	<u>(36,510)</u>	<u>-</u>	<u>(573,060)</u>	<u>(1)</u>

(Continued)

FAR EASTONE TELECOMMUNICATIONS CO., LTD.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
Share of the other comprehensive loss of subsidiaries and associates	\$ (99,519)	-	\$ (222,343)	-
	<u>(100,536)</u>	-	<u>(806,247)</u>	(1)
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	418	-	(160)	-
Share of the other comprehensive (loss) income of subsidiaries and associates	54,901	-	(9,147)	-
	<u>55,319</u>	-	<u>(9,307)</u>	-
Total other comprehensive loss, net of income tax	<u>(45,217)</u>	-	<u>(815,554)</u>	(1)
TOTAL COMPREHENSIVE INCOME	<u>\$ 12,797,684</u>	<u>16</u>	<u>\$ 10,370,364</u>	<u>15</u>
EARNINGS PER SHARE, IN NEW TAIWAN DOLLARS (Note 24)				
Basic	<u>\$ 3.56</u>		<u>\$ 3.42</u>	
Diluted	<u>\$ 3.56</u>		<u>\$ 3.41</u>	

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

(Concluded)

FAR EASTONE TELECOMMUNICATIONS CO., LTD.

**STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Dividends Per Share)**

	Retained Earnings					Other Equity (Notes 4, 20 and 25)				Total
	Capital Stock (Notes 4 and 20)	Capital Surplus (Notes 4, 20 and 26)	Legal Reserve (Note 20)	Special Reserve (Note 20)	Unappropriated Earnings (Notes 4, 20, 25 and 26)	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized (Losses) Gains on Financial Assets at Fair Value Through Other Comprehensive Income	Gains (Losses) on Hedging Instruments	Gains on Property Revaluations	
BALANCE AT JANUARY 1, 2023	\$ 32,585,008	\$ 26,365	\$ 21,476,579	\$ 1,301,537	\$ 9,651,744	\$ 27,360	\$ (1,852,282)	\$ 2,751	\$ 48,395	\$ 63,267,457
Appropriation of the 2022 earnings										
Legal reserve	-	-	964,929	-	(964,929)	-	-	-	-	-
Special reserve	-	-	-	933,501	(933,501)	-	-	-	-	-
Cash dividends - NT\$2.379 per share	-	-	-	-	(7,751,973)	-	-	-	-	(7,751,973)
Changes in equity from investments in associates accounted for using the equity method	-	-	-	-	(1,673)	-	-	-	-	(1,673)
Cash dividends from legal reserve - NT\$0.871 per share	-	-	(2,838,154)	-	-	-	-	-	-	(2,838,154)
Net income for the year ended December 31, 2023	-	-	-	-	11,185,918	-	-	-	-	11,185,918
Other comprehensive loss for the year ended December 31, 2023	-	-	-	-	(13,483)	(8,808)	(792,764)	(499)	-	(815,554)
Shares issued for pursuant to acquisition	3,472,046	23,455,435	-	-	-	-	-	-	-	26,927,481
Disposal of investments accounted for using the equity method	-	(12,851)	-	-	-	-	-	-	-	(12,851)
Changes in ownership interests of subsidiaries	-	21,610	-	-	(77)	-	-	-	-	21,533
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	(2,486,565)	-	2,486,565	-	-	-
BALANCE AT DECEMBER 31, 2023	36,057,054	23,490,559	19,603,354	2,235,038	8,685,461	18,552	(158,481)	2,252	48,395	89,982,184
Appropriation of the 2023 earnings										
Legal reserve	-	-	868,412	-	(868,412)	-	-	-	-	-
Special reserve	-	-	-	(1,686,846)	1,686,846	-	-	-	-	-
Cash dividends - NT\$2.635 per share	-	-	-	-	(9,501,034)	-	-	-	-	(9,501,034)
Unclaimed dividends	-	500	-	-	-	-	-	-	-	500
Cash dividends from capital surplus - NT\$0.615 per share	-	(2,217,509)	-	-	-	-	-	-	-	(2,217,509)
Net income for the year ended December 31, 2024	-	-	-	-	12,842,901	-	-	-	-	12,842,901
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	37,406	56,682	(137,942)	(1,363)	-	(45,217)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	10,410	-	-	-	-	-	-	-	10,410
Changes in ownership interests of subsidiaries	-	78,880	-	-	(5,875)	-	-	-	-	73,005
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	(21,903)	-	21,903	-	-	-
BALANCE AT DECEMBER 31, 2024	\$ 36,057,054	\$ 21,362,840	\$ 20,471,766	\$ 548,192	\$ 12,855,390	\$ 75,234	\$ (274,520)	\$ 889	\$ 48,395	\$ 91,145,240

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

FAR EASTONE TELECOMMUNICATIONS CO., LTD.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 14,685,106	\$ 13,147,025
Adjustments for:		
Depreciation	11,509,314	9,889,733
Amortization	1,529,014	975,803
Amortization of concessions	5,945,474	5,230,694
Expected credit losses	279,691	246,698
Net loss on financial assets at fair value through profit or loss	-	29
Financial costs	1,094,382	916,705
Interest income	(88,582)	(81,379)
Dividend income	(22,261)	(33,427)
Share of the gains of subsidiaries and associates	(2,676,352)	(2,185,165)
Losses on disposal of property, plant and equipment and intangible assets	77,373	110,511
Gain on disposal of investments	-	(12,865)
Reversal of write-down of inventories	(18,986)	(4,002)
(Gains) losses on changes in fair value of investment properties	(11,967)	4,241
Losses (gains) on modifications of lease arrangements	2,731	(2,509)
Others	-	(3,410)
Net changes in operating assets and liabilities		
Financial assets at fair value through profit or loss	(6,498)	3,811
Contract assets	(643,659)	(420,898)
Accounts receivable	(1,487,408)	(284,572)
Accounts receivable - related parties	79,581	(219,999)
Other receivables - related parties	(24,880)	10,344
Inventories	(192,522)	(438,530)
Prepaid expenses	(27,998)	(221,117)
Other current assets	149,011	24,306
Incremental costs of obtaining a contract	936,505	168,887
Contract liabilities	39,967	(611,552)
Notes payable	(9,810)	4,786
Accounts payable	545,162	(75,432)
Accounts payable - related parties	88,066	84,470
Other payables	(388,241)	(728,104)
Other payables - related parties	(50,664)	197,433
Provisions	(6,374)	(14,390)
Other current liabilities	156,377	70,397
Net defined benefit liabilities	(17,668)	(17,159)
Other noncurrent liabilities	(1,057,832)	(859,284)
Cash generated from operations	30,386,052	24,872,079
Interest received	87,378	79,813
Dividends received	1,983,442	1,882,129
Interest paid	(1,009,986)	(856,039)
Income taxes paid	(1,359,007)	(1,703,005)
Net cash generated from operating activities	<u>30,087,879</u>	<u>24,274,977</u>

(Continued)

FAR EASTONE TELECOMMUNICATIONS CO., LTD.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	\$ (169,250)	\$ (39,676)
Remittance of cash due to capital reduction of financial assets at fair value through other comprehensive income	-	9,000
Acquisition of financial assets at amortized cost	-	(48,983)
Proceeds from the disposal of financial assets at amortized cost	55,228	-
Acquisition of investments accounted for using the equity method	(21,000)	(737,077)
Acquisition of property, plant and equipment	(4,975,099)	(6,070,132)
Proceeds from the disposal of property, plant and equipment	48,790	27,373
Increase in refundable deposits	(739,977)	(220,684)
Decrease in refundable deposits	564,006	294,696
Acquisition of intangible assets	(713,085)	(660,837)
Cash received through a merger	-	186,963
Decrease in other financial assets	146,089	299,831
Increase in other noncurrent assets	(31,733)	-
Other investing activities	<u>1,240,074</u>	<u>1,109,217</u>
Net cash used in investing activities	<u>(4,595,957)</u>	<u>(5,850,309)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term borrowings	-	(3,085,000)
Decrease in short-term bills payable	-	(1,599,476)
Proceeds from the issuance of bonds payable	3,495,480	6,490,445
Repayment of bonds payable	(6,700,000)	(3,000,000)
Proceeds from long-term borrowings	12,098,622	15,251,740
Repayment of long-term borrowings	(19,052,415)	(19,769,598)
Increase in guarantee deposits received	122,992	101,830
Decrease in guarantee deposits received	(108,059)	(43,667)
Increase in financing obtained from other payables - related parties	650,000	700,000
Repayment of the principal portion of lease liabilities	(3,826,680)	(3,329,960)
Cash dividends paid	(11,718,543)	(10,590,127)
Recovery of unclaimed dividends	<u>500</u>	<u>-</u>
Net cash used in financing activities	<u>(25,038,103)</u>	<u>(18,873,813)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	453,819	(449,145)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>1,596,278</u>	<u>2,045,423</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u>\$ 2,050,097</u>	<u>\$ 1,596,278</u>

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

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Far EasTone Telecommunications Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Far EasTone Telecommunications Co., Ltd. (“Far EasTone”) and its subsidiaries (collectively referred to as 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 the notes to the consolidated financial statements, including material accounting policy information (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, 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 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 Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the 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 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, 2024. 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 matter of the consolidated financial statements for the year ended December 31, 2024 is described as follows:

Recognition of Mobile Telecommunications Service Revenue

Mobile telecommunications service revenue is the main source of the Group's revenue, and it accounts for 48% of the Group's total revenue for the year ended December 31, 2024. The calculation of mobile telecommunications service revenue relies heavily on automated systems and includes complicated and huge amounts of data transmission. In order to meet market demands and remain competitive, the Group often launches different combinations of products and services. The charge rates of the aforementioned products and services are set manually to systems. Since the effectiveness of the design and implementation of internal controls over systems and rate settings relevant to telecommunications service revenue directly and significantly affects the accuracy of revenue calculation, the recognition of mobile telecommunications service revenue is considered a key audit matter.

For the accounting policies related to mobile telecommunications service revenue, refer to Note 4 to the accompanying consolidated financial statements.

By conducting tests of controls, we obtained an understanding of the Group's recognition of mobile telecommunications service revenue and the design and implementation of related controls.

We also engaged internal IT specialists to understand and assess the systems and internal controls relevant to mobile telecommunications service revenue and perform the corresponding audit procedures which are listed as follows. The IT specialists:

1. Identified key systems that processed mobile telecommunications service revenue; assessed and tested the general information technology controls of the aforementioned systems, including access controls and change controls.
2. Tested the completeness and accuracy of interface controls between the switch equipment and the billing systems.
3. Tested the access controls and changes of controls over the input of rates to the billing systems.
4. Tested the accuracy of the billing calculation.
5. Tested the completeness and accuracy of the calculation and billing of monthly fees, airtime fees and value-added service fees.

In coordination with the internal IT specialists, we:

1. Performed dialing tests to verify the accuracy and completeness of the traffic and information on the switch equipment.
2. Sampled user contracts to confirm the accuracy of the billing system information.

For the revenue recognition of billed and unbilled amounts, we conducted the following tests:

1. For the billed amounts, we compared whether there was any difference between the reports generated from the accounting system and the billing system.
2. For the unbilled amounts, we recalculated the service revenue for services provided as of the balance sheet date based on the applied charge rates to confirm the accuracy of the amounts.

Other Matter

We have also audited the parent company only financial statements of Far EasTone Telecommunications Co., Ltd. as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion.

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 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 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 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 statements 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, 2024 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 audits resulting in this independent auditors' report are Yung-Hsiang Chao and Chih-Ming Shao.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 20, 2025

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.

FAR EASTONE TELECOMMUNICATIONS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4, 6 and 34)	\$ 5,416,289	3	\$ 4,392,483	2
Financial assets at fair value through profit or loss - current (Notes 4 and 33)	1,052,421	1	712,578	-
Financial assets at amortized cost - current (Notes 4, 8 and 34)	647,070	-	975,746	1
Contract assets - current (Notes 4, 5 and 24)	5,886,564	3	5,492,682	3
Notes receivable, net (Notes 4, 5 and 9)	25,271	-	38,189	-
Accounts receivable, net (Notes 4, 5 and 9)	12,233,197	7	10,984,098	6
Accounts receivable - related parties (Notes 4, 5, 9 and 34)	448,228	-	435,266	-
Inventories (Notes 4 and 10)	4,362,043	2	3,250,880	2
Prepaid expenses	1,590,658	1	1,430,009	1
Other financial assets - current (Notes 4, 34 and 35)	557,730	-	572,323	-
Other current assets (Notes 4 and 34)	<u>182,534</u>	-	<u>362,321</u>	-
Total current assets	<u>32,402,005</u>	<u>17</u>	<u>28,646,575</u>	<u>15</u>
NONCURRENT ASSETS				
Financial assets at fair value through profit or loss - noncurrent (Notes 4 and 33)	10,000	-	-	-
Financial assets at fair value through other comprehensive income - noncurrent (Notes 4, 7 and 33)	842,134	-	724,179	-
Investments accounted for using the equity method (Notes 4, 12 and 34)	2,787,104	1	2,659,824	1
Contract assets - noncurrent (Notes 4, 5 and 24)	4,447,746	2	4,119,329	2
Property, plant and equipment, net (Notes 4, 5, 13, 34 and 35)	44,408,911	25	47,460,184	24
Right-of-use assets (Notes 4, 5, 14 and 34)	8,843,205	5	10,620,795	5
Investment properties (Notes 4 and 15)	887,751	-	924,372	-
Concessions, net (Notes 4, 5 and 16)	60,361,311	33	66,306,785	35
Goodwill (Notes 4, 5 and 16)	19,476,886	10	19,409,799	10
Other intangible assets (Notes 4, 5, 16 and 34)	3,855,816	2	4,384,584	2
Deferred income tax assets (Note 4, 5 and 26)	1,042,475	1	1,014,863	1
Incremental costs of obtaining a contract - noncurrent (Notes 4, 5 and 24)	4,734,345	3	5,783,434	3
Other noncurrent assets (Notes 4, 9, 17, 22 and 34)	<u>2,653,479</u>	<u>1</u>	<u>3,042,492</u>	<u>2</u>
Total noncurrent assets	<u>154,351,163</u>	<u>83</u>	<u>166,450,640</u>	<u>85</u>
TOTAL	<u>\$ 186,753,168</u>	<u>100</u>	<u>\$ 195,097,215</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 4 and 18)	\$ 340,000	-	\$ 190,000	-
Short-term bills payable (Notes 4, 18 and 35)	-	-	190,178	-
Contract liabilities - current (Notes 4 and 24)	3,120,854	2	2,794,430	1
Notes payable	5,645	-	14,487	-
Accounts payable (Note 34)	9,035,689	5	7,461,769	4
Other payables (Note 20)	7,338,701	4	7,855,075	4
Current tax liabilities (Notes 4, 5 and 26)	2,566,102	1	2,314,128	1
Provisions - current (Notes 4 and 21)	366,494	-	303,484	-
Lease liabilities - current (Notes 4, 14, 31, 33 and 34)	2,938,331	2	3,755,440	2
Current portion of long-term borrowings (Notes 4, 18, 19, 33 and 35)	6,365,540	3	9,214,749	5
Other current liabilities (Note 34)	<u>1,742,901</u>	<u>1</u>	<u>1,763,038</u>	<u>1</u>
Total current liabilities	<u>33,820,257</u>	<u>18</u>	<u>35,856,778</u>	<u>18</u>
NONCURRENT LIABILITIES				
Contract liabilities - noncurrent (Notes 4 and 24)	143,030	-	169,462	-
Bonds payable (Notes 4, 19 and 33)	23,780,842	13	26,577,681	15
Long-term borrowings (Notes 4, 18, 33 and 35)	21,271,385	11	25,791,468	13
Provisions - noncurrent (Notes 4 and 21)	1,765,686	1	1,667,729	1
Deferred income tax liabilities (Note 4)	2,393,616	1	2,269,307	1
Lease liabilities - noncurrent (Notes 4, 14, 31, 33 and 34)	5,495,619	3	6,393,420	3
Net defined benefit liabilities - noncurrent (Notes 4 and 22)	334,206	-	395,773	-
Guarantee deposits received - noncurrent	445,128	-	386,639	-
Other noncurrent liabilities (Notes 4 and 20)	<u>4,778,586</u>	<u>3</u>	<u>4,594,397</u>	<u>2</u>
Total noncurrent liabilities	<u>60,408,098</u>	<u>32</u>	<u>68,245,876</u>	<u>35</u>
Total liabilities	<u>94,228,355</u>	<u>50</u>	<u>104,102,654</u>	<u>53</u>
EQUITY ATTRIBUTABLE TO OWNERS OF FAR EASTONE				
Capital stock				
Common stock	<u>36,057,054</u>	<u>19</u>	<u>36,057,054</u>	<u>18</u>
Capital surplus	<u>21,362,840</u>	<u>11</u>	<u>23,490,559</u>	<u>12</u>
Retained earnings				
Legal reserve	20,471,766	11	19,603,354	10
Special reserve	548,192	-	2,235,038	1
Unappropriated earnings	<u>12,855,390</u>	<u>8</u>	<u>8,685,461</u>	<u>5</u>
Total retained earnings	<u>33,875,348</u>	<u>19</u>	<u>30,523,853</u>	<u>16</u>
Other equity	<u>(150,002)</u>	<u>-</u>	<u>(89,282)</u>	<u>-</u>
Total equity attributable to owners of Far Eastone	91,145,240	49	89,982,184	46
NONCONTROLLING INTERESTS				
Total equity	<u>1,379,573</u>	<u>1</u>	<u>1,012,377</u>	<u>1</u>
Total equity	<u>92,524,813</u>	<u>50</u>	<u>90,994,561</u>	<u>47</u>
TOTAL	<u>\$ 186,753,168</u>	<u>100</u>	<u>\$ 195,097,215</u>	<u>100</u>

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

FAR EASTONE TELECOMMUNICATIONS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 24 and 34)	\$ 104,622,553	100	\$ 93,690,417	100
OPERATING COSTS (Notes 4, 10, 25 and 34)	<u>72,311,284</u>	<u>69</u>	<u>65,060,442</u>	<u>69</u>
GROSS PROFIT	<u>32,311,269</u>	<u>31</u>	<u>28,629,975</u>	<u>31</u>
OPERATING EXPENSES (Notes 4, 25 and 34)				
Marketing	11,769,672	11	9,964,050	11
General and administrative	5,786,958	6	5,179,482	5
Expected credit losses	<u>283,128</u>	<u>-</u>	<u>257,340</u>	<u>-</u>
Total operating expenses	<u>17,839,758</u>	<u>17</u>	<u>15,400,872</u>	<u>16</u>
OTHER INCOME AND EXPENSES (Note 4)	<u>1,031,735</u>	<u>1</u>	<u>827,426</u>	<u>1</u>
OPERATING INCOME	<u>15,503,246</u>	<u>15</u>	<u>14,056,529</u>	<u>16</u>
NONOPERATING INCOME AND EXPENSES (Notes 4, 9, 25 and 34)				
Other income	229,620	-	239,100	-
Other gains and losses	506,513	1	130,687	-
Financial costs	(941,350)	(1)	(801,401)	(1)
Share of the gains of associates	285,022	-	321,474	-
Losses on disposal of property, plant and equipment and intangible assets	<u>(79,412)</u>	<u>-</u>	<u>(123,633)</u>	<u>-</u>
Total nonoperating income and expenses	<u>393</u>	<u>-</u>	<u>(233,773)</u>	<u>(1)</u>
INCOME BEFORE INCOME TAX	15,503,639	15	13,822,756	15
INCOME TAX (Notes 4 and 26)	<u>2,559,445</u>	<u>2</u>	<u>2,529,564</u>	<u>3</u>
NET INCOME	<u>12,944,194</u>	<u>13</u>	<u>11,293,192</u>	<u>12</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 22, 23, 26 and 33)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	38,156	-	(14,702)	-
Unrealized losses on investments in equity instruments designated as at fair value through other comprehensive income	(59,836)	-	(796,353)	(1)
Share of the other comprehensive (loss) income of associates accounted for using the equity method	<u>(78,106)</u>	<u>-</u>	<u>3,589</u>	<u>-</u>
	<u>(99,786)</u>	<u>-</u>	<u>(807,466)</u>	<u>(1)</u>

(Continued)

FAR EASTONE TELECOMMUNICATIONS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	\$ 52,337	-	\$ (9,481)	-
Share of the other comprehensive income (loss) of associates accounted for using the equity method	<u>5,253</u>	<u>-</u>	<u>(50)</u>	<u>-</u>
	<u>57,590</u>	<u>-</u>	<u>(9,531)</u>	<u>-</u>
 Total other comprehensive loss, net of income tax	 <u>(42,196)</u>	 <u>-</u>	 <u>(816,997)</u>	 <u>(1)</u>
 TOTAL COMPREHENSIVE INCOME	 <u>\$ 12,901,998</u>	 <u>13</u>	 <u>\$ 10,476,195</u>	 <u>11</u>
 NET INCOME ATTRIBUTABLE TO:				
Owners of Far EasTone	\$ 12,842,901	13	\$ 11,185,918	12
Noncontrolling interests	<u>101,293</u>	<u>-</u>	<u>107,274</u>	<u>-</u>
	<u>\$ 12,944,194</u>	<u>13</u>	<u>\$ 11,293,192</u>	<u>12</u>
 TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of Far EasTone	\$ 12,797,684	13	\$ 10,370,364	11
Noncontrolling interests	<u>104,314</u>	<u>-</u>	<u>105,831</u>	<u>-</u>
	<u>\$ 12,901,998</u>	<u>13</u>	<u>\$ 10,476,195</u>	<u>11</u>
 EARNINGS PER SHARE, IN NEW TAIWAN DOLLARS (Note 27)				
Basic	<u>\$ 3.56</u>		<u>\$ 3.42</u>	
Diluted	<u>\$ 3.56</u>		<u>\$ 3.41</u>	

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

(Concluded)

FAR EASTONE TELECOMMUNICATIONS CO., LTD. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Dividends Per Share)**

	Equity Attributable to Owners of Far Eastone											
	Retained Earnings					Other Equity (Notes 4, 23 and 29)					Noncontrolling Interests (Notes 4, 23, 28 and 30)	Total Equity
	Capital Stock (Notes 4 and 23)	Capital Surplus (Notes 4, 23, 28 and 30)	Legal Reserve (Note 23)	Special Reserve (Note 23)	Unappropriated Earnings (Notes 4, 23, 29 and 30)	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized (Losses) Gains on Financial Assets at Fair Value Through Other Comprehensive Income	Gains (Losses) on Hedging Instruments	Gains on Property Revaluations	Total		
BALANCE AT JANUARY 1, 2023	\$ 32,585,008	\$ 26,365	\$ 21,476,579	\$ 1,301,537	\$ 9,651,744	\$ 27,360	\$ (1,852,282)	\$ 2,751	\$ 48,395	\$ 63,267,457	\$ 920,719	\$ 64,188,176
Appropriation of the 2022 earnings												
Legal reserve	-	-	964,929	-	(964,929)	-	-	-	-	-	-	-
Special reserve	-	-	-	933,501	(933,501)	-	-	-	-	-	-	-
Cash dividends - NT\$2.379 per share	-	-	-	-	(7,751,973)	-	-	-	-	(7,751,973)	-	(7,751,973)
Changes in equity from investments in associates accounted for using the equity method	-	-	-	-	(1,673)	-	-	-	-	(1,673)	-	(1,673)
Cash dividends from legal reserve - NT\$0.871 per share	-	-	(2,838,154)	-	-	-	-	-	-	(2,838,154)	-	(2,838,154)
Net income for the year ended December 31, 2023	-	-	-	-	11,185,918	-	-	-	-	11,185,918	107,274	11,293,192
Other comprehensive loss for the year ended December 31, 2023	-	-	-	-	(13,483)	(8,808)	(792,764)	(499)	-	(815,554)	(1,443)	(816,997)
Shares issued for pursuant to acquisitions	3,472,046	23,455,435	-	-	-	-	-	-	-	26,927,481	-	26,927,481
Disposal of investments accounted for using the equity method	-	(12,851)	-	-	-	-	-	-	-	(12,851)	-	(12,851)
Change in ownership interest of subsidiaries	-	21,610	-	-	(77)	-	-	-	-	21,533	66,812	88,345
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	(80,985)	(80,985)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	(2,486,565)	-	2,486,565	-	-	-	-	-
BALANCE AT DECEMBER 31, 2023	36,057,054	23,490,559	19,603,354	2,235,038	8,685,461	18,552	(158,481)	2,252	48,395	89,982,184	1,012,377	90,994,561
Appropriation of the 2023 earnings												
Legal reserve	-	-	868,412	-	(868,412)	-	-	-	-	-	-	-
Special reserve	-	-	-	(1,686,846)	1,686,846	-	-	-	-	-	-	-
Cash dividends - NT\$2.635 per share	-	-	-	-	(9,501,034)	-	-	-	-	(9,501,034)	-	(9,501,034)
Unclaimed dividends	-	500	-	-	-	-	-	-	-	500	-	500
Cash dividends from capital surplus - NT\$0.615 per share	-	(2,217,509)	-	-	-	-	-	-	-	(2,217,509)	-	(2,217,509)
Net income for the year ended December 31, 2024	-	-	-	-	12,842,901	-	-	-	-	12,842,901	101,293	12,944,194
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	37,406	56,682	(137,942)	(1,363)	-	(45,217)	3,021	(42,196)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	10,410	-	-	-	-	-	-	-	10,410	8,679	19,089
Change in ownership interest of subsidiaries	-	78,880	-	-	(5,875)	-	-	-	-	73,005	233,445	306,450
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	(97,019)	(97,019)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income by associates	-	-	-	-	(21,903)	-	21,903	-	-	-	-	-
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	117,777	117,777
BALANCE AT DECEMBER 31, 2024	\$ 36,057,054	\$ 21,362,840	\$ 20,471,766	\$ 548,192	\$ 12,855,390	\$ 75,234	\$ (274,520)	\$ 889	\$ 48,395	\$ 91,145,240	\$ 1,379,573	\$ 92,524,813

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

FAR EASTONE TELECOMMUNICATIONS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 15,503,639	\$ 13,822,756
Adjustments for:		
Depreciation	13,175,846	11,654,666
Amortization	1,686,221	1,140,433
Amortization of concessions	5,945,474	5,230,694
Expected credit losses	283,128	257,340
Net gains on fair value changes of financial assets at fair value through profit or loss	(333,345)	(93,274)
Financial costs	941,350	801,401
Interest income	(151,241)	(134,439)
Dividend income	(26,259)	(38,102)
Share-based compensation	8,071	7,195
Share of the gains of associates	(285,022)	(321,474)
Losses on disposal of property, plant and equipment and intangible assets	79,412	123,633
Gain on disposal of investments	-	(12,865)
Reversal of write-down of inventories	(15,384)	(8,465)
(Gains) losses on changes in fair value of investment properties	(13,046)	1,507
Losses (gains) on modifications of lease arrangements	2,673	(2,565)
Others	-	(3,410)
Net changes in operating assets and liabilities		
Financial assets at fair value through profit or loss	(16,498)	3,811
Contract assets	(630,205)	(407,158)
Notes receivable	12,918	(12,402)
Accounts receivable	(1,366,208)	(441,556)
Accounts receivable - related parties	(12,962)	(95,862)
Inventories	(442,975)	(331,689)
Prepaid expenses	(151,316)	(292,630)
Other current assets	186,866	77,191
Incremental costs of obtaining a contract	1,049,089	208,414
Contract liabilities	(78,660)	(634,312)
Notes payable	(8,842)	4,426
Accounts payable	1,075,056	(217,003)
Other payables	(206,510)	(698,312)
Provisions	31,147	(11,482)
Other current liabilities	(15,305)	267,267
Net defined benefit liabilities	(17,371)	(17,200)
Other noncurrent liabilities	(1,058,431)	(859,847)
Cash generated from operations	35,151,310	28,966,687
Interest received	150,707	132,599
Dividends received	27,062	38,688
Interest paid	(859,819)	(746,594)
Income taxes paid	(2,183,413)	(2,265,407)
Net cash generated from operating activities	<u>32,285,847</u>	<u>26,125,973</u>

(Continued)

FAR EASTONE TELECOMMUNICATIONS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	\$ (179,250)	\$ (39,676)
Remittance of cash due to capital reduction of financial assets at fair value through other comprehensive income	-	9,000
Acquisition of financial assets at amortized cost	-	(220,271)
Proceeds from the disposal of financial assets at amortized cost	328,726	-
Acquisition of investments accounted for using the equity method	(20,000)	-
Net cash flow from acquisition of subsidiaries	259,675	-
Acquisition of property, plant and equipment	(6,262,579)	(7,412,151)
Proceeds from the disposal of property, plant and equipment	61,051	41,036
Increase in refundable deposits	(891,135)	(324,961)
Decrease in refundable deposits	743,344	420,724
Acquisition of intangible assets	(828,071)	(737,042)
Cash received through a merger	-	190,316
Decrease in other financial assets	130,634	320,772
Increase in other noncurrent assets	(31,733)	-
Other investing activities	<u>1,242,620</u>	<u>1,109,563</u>
Net cash used in investing activities	<u>(5,446,718)</u>	<u>(6,642,690)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term borrowings	50,000	(3,331,530)
Decrease in short-term bills payable	(190,178)	(1,625,488)
Proceeds from the issuance of bonds payable	3,495,480	6,490,445
Repayment of bonds payable	(6,700,000)	(3,000,000)
Proceeds from long-term borrowings	13,385,888	15,312,782
Repayment of long-term borrowings	(20,355,696)	(19,775,336)
Increase in guarantee deposits received	147,057	136,785
Decrease in guarantee deposits received	(124,666)	(63,347)
Repayment of the principal portion of lease liabilities	(4,035,676)	(3,528,903)
Cash dividends paid	(11,815,562)	(10,671,112)
Net changes in noncontrolling interests	317,468	81,150
Recovery of unclaimed dividends	<u>500</u>	<u>-</u>
Net cash used in financing activities	<u>(25,825,385)</u>	<u>(19,974,554)</u>
EFFECT OF EXCHANGE RATE CHANGES	<u>10,062</u>	<u>(2,257)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,023,806	(493,528)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>4,392,483</u>	<u>4,886,011</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u>\$ 5,416,289</u>	<u>\$ 4,392,483</u>

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

Attachment III

2024 Audit Committee's review report

The Board of Directors has prepared the Company's 2024 Business Report, the Financial Statements and the Proposal for Profit Distribution. The CPAs of Deloitte & Touche, Yung-Hsiang Chao and Chih-Ming Shao have audited the Financial Statements (including the Stand-alone & the Consolidated Financial Reports) and issued the audit opinions. The Business Report, Financial Statements, and the Proposal for Profit Distribution have been reviewed and determined to be correct and accurate by the Audit Committee members of Far EastOne Telecommunications Co., Ltd. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

Far EastOne Telecommunications Co., Ltd.

Chairman of the Audit Committee:



Jyuo-Min Shyu

February 20, 2025

Attachment IV

Amendments to “Code of Conduct” of Far Eastone Telecommunications Co., Ltd.”

Article No	Amended Articles	Current Articles
Article 7	<p>(Fair trade)</p> <p>I. The Applicable parties shall treat customers of goods purchase and sale, competitors and employees based on the principle of ethics and reasonableness and shall not manipulate, hide or misuse information obtained through their positions, make misrepresentation on important matters or obtain illegitimate benefits through unfair trading.</p> <p>II. The Applicable parties should observe regulations set forth in the Company’s <u>“Code of Professional Conduct”</u> when accepting any gift or entertainment.</p>	<p>(Fair trade)</p> <p>I. The Applicable parties shall treat customers of goods purchase and sale, competitors and employees based on the principle of ethics and reasonableness and shall not manipulate, hide or misuse information obtained through their positions, make misrepresentation on important matters or obtain illegitimate benefits through unfair trading.</p> <p>II. The Applicable parties should observe regulations set forth in the Company’s <u>“Behavior Standards”</u> and <u>“Rules Governing Employees Acceptance of Gifts or Entertainment”</u> when accepting any gift or entertainment.</p>

Attachment V

Amendments to “Ethical Corporate Management Best Practice Principles” of Far Eastone Telecommunications Co., Ltd.”

Article No	Amended Articles	Current Articles
Article 9	<p>(Ethical business conduct activities)</p> <ol style="list-style-type: none"> 1. The Company conducts business activities in a fair way based on the principle of ethical business conduct. 2. The Company will consider the legality of contractors, suppliers, or other business counterparties and find out whether these parties have any records of unethical behaviors before engaging in business contact to avoid making transactions with counterparties with records of dishonest behaviors. 3. When the Company enters into an important contract with contractors, suppliers, or other trading counterparties, <u>it shall include terms requiring compliance with honest business conduct policies. Additionally, if a counterparty engages in unethical conduct, the Company may terminate or rescind the contract at any time.</u> 	<p>(Ethical business conduct activities)</p> <ol style="list-style-type: none"> 1. The Company conducts business activities in a fair way based on the principle of ethical business conduct. 2. The Company will consider the legality of contractors, suppliers, or other business counterparties and find out whether these parties have any records of unethical behaviors before engaging in business contact to avoid making transactions with counterparties with records of dishonest behaviors. 3. When the Company enters into any important contract with contractors, suppliers, or other trading counterparties, <u>the contract shall include clauses of conformity with honest business conduct policies and clauses of termination or dissolution of the contract if the counterparty is involved in any dishonest behavior.</u>

Attachment VI**The company's earnings distribution table for the year 2024****Far EastOne Telecommunications Co., Ltd.
2024 Earnings Distribution Table**

(unit : NT\$)

1.	Beginning Unappropriated Earning	\$ 2,860,064
	Add: Profit and Loss for the Year 2024	12,842,901,043
	Add: Actuarial Gains (Losses) on Pensions Included in Retained Earnings:	37,406,384
	Less: Adjustments for Investments Using the Equity Method Included in Retained Earnings:	(27,778,758)
	Less: Provision for Legal Reserve:	(1,285,252,867)
	Less: Provision for Special Reserve According to Law:	(71,931,479)
	Earnings Available for Distribution:	\$ 11,498,204,387
2.	Proposed Distribution of Earnings for Year 2024	
	Shareholders' Dividend (Cash Dividend of \$3.188 per Share):	\$11,494,988,678
3.	Unappropriated Earnings After Distribution:	\$3,215,709

Attachment VII

Amendments to “Articles of Incorporation” of Far Eastone Telecommunications Co., Ltd.”

Article No	Amended Articles	Current Articles
Article 15	<p>The Company shall have nine (9) to eleven (11) Directors, to be elected who are competent persons at Shareholders’ meeting. The tenure of office of Directors will be three (3) years and they will be eligible for re-election.</p> <p>Among the aforesaid number of members of the Board of Directors shall have at least three (3) Independent Directors. The number of independent directors among the directors of the company shall not be less than one-third of the number of directors.</p> <p>Election of Directors shall adopt candidate nomination system according to Article 192-1 of the Company Act.</p> <p>Regulations governing the professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of being independent, method of nomination, and other matters for compliance with respect to Independent Directors shall follow relevant regulations prescribed by the Competent Authority.</p> <p>The remuneration for Directors shall be determined by the Remuneration Committee and the Board of Directors.</p> <p>The total number of registered shares owned by all Directors shall be determined pursuant to “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”, as amended May 20, 2008.</p>	<p>The Company shall have nine (9) to eleven (11) Directors, to be elected who are competent persons at Shareholders’ meeting. The tenure of office of Directors will be three (3) years and they will be eligible for re-election.</p> <p>Among the aforesaid number of members of the Board of Directors shall have at least three (3) Independent Directors. The number of independent directors among the directors of the company shall not be less than one-third of the number of directors <u>from the 10th session of the board of directors.</u></p> <p>Election of Directors shall adopt candidate nomination system according to Article 192-1 of the Company Act.</p> <p>Regulations governing the professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of being independent, method of nomination, and other matters for compliance with respect to Independent Directors shall follow relevant regulations prescribed by the Competent Authority.</p> <p>The remuneration for Directors shall be determined by the Remuneration Committee and the Board of Directors.</p> <p>The total number of registered shares owned by all Directors shall be determined pursuant to “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”, as amended May 20, 2008.</p>

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Article15-1	<p>Pursuant to Article 14-4 of the Securities and Exchange Act, the Company will establish an Audit Committee. The Audit Committee shall make up of the entire number of Independent Directors, is responsible for executing powers relegated to Supervisors by the Company Act, Securities and Exchange Act and other laws and regulations.</p> <p>The organizing members, exercise of powers and other matters to be abided by the Audit Committee shall follow related laws, regulations or rules or regulations of the Company. The organization regulations of the Audit Committee shall be stipulated by the Board of Director.</p>	<p>Pursuant to Article 14-4 of the Securities and Exchange Act, <u>as amended June 5, 2013,</u> the Company will establish an Audit Committee <u>when as the 7th Term Board of Directors is elected into the office in 2015.</u> The Audit Committee shall make up of the entire number of Independent Directors, is responsible for executing powers relegated to Supervisors by the Company Act, Securities and Exchange Act and other laws and regulations.</p> <p>The organizing members, exercise of powers and other matters to be abided by the Audit Committee shall follow related laws, regulations or rules or regulations of the Company. The organization regulations of the Audit Committee shall be stipulated by the Board of Director.</p>
Article 18	<p>A meeting of the Board of Directors shall be convened by its Chairman, provided that the initial meeting of each term of the Board of Directors shall be called by the Director who receives the number of ballots representing the largest of votes.</p> <p>Directors may attend the meeting in person or by proxy. A Director cannot represent more than one absentee Director for a meeting of the Board of Directors.</p> <p>In case a meeting of the Board of Directors is held via visual communication network, then the Directors taking part in such a visual communication meeting shall be deemed to have</p>	<p>A meeting of the Board of Directors shall be convened by its Chairman, provided that the initial meeting of each term of the Board of Directors shall be called by the Director who receives the number of ballots representing the largest of votes.</p> <p>Directors may attend the meeting in person or by proxy. A Director cannot represent more than one absentee Director for a meeting of the Board of Directors. <u>A Director residing in a foreign country may appoint, in writing, a Director residing within the Republic of China as his alternate to attend the meetings of the Board of Directors regularly, provided, the appointment shall be registered with competent government authority.</u></p> <p>In case a meeting of the Board of Directors is held via visual communication network, then the Directors taking part in such a</p>

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	<p>attended the meeting in person.</p> <p>The notice for the Board meeting shall state the reasons and agenda of the meeting, and shall be sent to each Directors seven (7) days prior to the meeting, provided, however, that in case of emergency the meeting may be convened at any time.</p> <p><u>The notice to be given under the preceding paragraph may be effected by means of electronic transmission with the prior consent of the recipients.</u></p>	<p>visual communication meeting shall be deemed to have attended the meeting in person.</p> <p>The notice for the Board meeting shall state the reasons and agenda of the meeting, and shall be sent to each Directors seven (7) days prior to the meeting, provided, however, that in case of emergency the meeting may be convened at any time.</p> <p>The meeting notice provided in preceding paragraph could be issued by email or fax.</p>
Article 26	<p>IF there is profit for the current year, the Company shall set aside <u>not more than 1% of it as compensation for Directors and shall set aside 1%-2% of it as compensation for employees; no less than 30% of compensation for employees shall be non-executive employees' compensation.</u> If there is accumulated loss on the books of the Company, portion of the profit equaling the loss shall first be set aside to cover the latter.</p> <p>The employees' compensation may be distributed by shares or by cash. The company shall, by a resolution adopted by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors, determine the actual profit ratio of distribution, amount, methods, and number of shares, and shall report to the shareholders' meeting. The board of directors shall also determine the ratio of distribution of directors' compensation and amount and shall report to the shareholders' meeting.</p> <p>If the account closing at the end of the fiscal year of the company discloses profit, the company, when allocating its profit, after paying all taxes, making good losses of previous</p>	<p>IF there is profit for the current year, the Company shall set aside <u>1%-2% of it as compensation for employees and, shall set aside not more than 1% of it as compensation for Directors.</u> If there is accumulated loss on the books of the Company, portion of the profit equaling the loss shall first be set aside to cover the latter.</p> <p>The employees' compensation may be distributed by shares or by cash. The company shall, by a resolution adopted by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors, determine the actual profit ratio of distribution, amount, methods, and number of shares, and shall report to the shareholders' meeting. The board of directors shall also determine the ratio of distribution of directors' compensation and amount and shall report to the shareholders' meeting.</p> <p>If the account closing at the end of the fiscal year of the company discloses profit, the company, when allocating its profit, after paying all taxes, making good losses of previous</p>

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	<p>year(s), then set aside ten (10) percent of the sum of said profit in balance and the amount of profit (or loss) items adjusted to the current year's undistributed earnings other than the said profit as statutory surplus reserve, and then set aside special surplus reserve as required by the Articles of Incorporation or by resolution of the shareholders' meeting. The rest of surplus, if any, shall be consolidated with the unallocated earning accumulated in the preceding year(s) as distributable earning, as determined by the shareholders' meeting to be allocated equally according to all shares to every shareholder as shareholders' dividend or to be retained.</p>	<p>year(s), then set aside ten (10) percent of the sum of said profit in balance and the amount of profit (or loss) items adjusted to the current year's undistributed earnings other than the said profit as statutory surplus reserve, and then set aside special surplus reserve as required by the Articles of Incorporation or by resolution of the shareholders' meeting. The rest of surplus, if any, shall be consolidated with the unallocated earning accumulated in the preceding year(s) as distributable earning, as determined by the shareholders' meeting to be allocated equally according to all shares to every shareholder as shareholders' dividend or to be retained.</p>
Article 31	<p>These Articles of Incorporation were agreed upon and signed on Mar. 7, 1997. First amended on Jun. 6, 1997; Second amended on Aug. 20, 1998; Third amended on Apr. 28, 1999; Fourth amended on Apr. 21, 2000; Fifth amended on Dec. 28, 2000; Sixth amended on May. 15, 2001; Seventh amended on Jun. 25, 2002; Eighth amended on May 23, 2003; Ninth amended on Feb. 18, 2004; Tenth amended on Jun. 30, 2004; Eleventh amended on May 20, 2005; Twelfth amended on May 26, 2006; Thirteenth amended on June 12, 2007; Fourteenth amended on June 15, 2010; Fifteenth amended on June 9, 2011;</p>	<p>These Articles of Incorporation were agreed upon and signed on Mar. 7, 1997. First amended on Jun. 6, 1997; Second amended on Aug. 20, 1998; Third amended on Apr. 28, 1999; Fourth amended on Apr. 21, 2000; Fifth amended on Dec. 28, 2000; Sixth amended on May. 15, 2001; Seventh amended on Jun. 25, 2002; Eighth amended on May 23, 2003; Ninth amended on Feb. 18, 2004; Tenth amended on Jun. 30, 2004; Eleventh amended on May 20, 2005; Twelfth amended on May 26, 2006; Thirteenth amended on June 12, 2007; Fourteenth amended on June 15, 2010; Fifteenth amended on June 9, 2011;</p>

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	Sixteenth amended on June 13, 2012; Seventeenth amended on June 13, 2013; Eighteenth amendment on June 11, 2014; Nineteenth amendment on June 18, 2015; Twentieth amendment on June 16, 2016; Twenty-first amendment on June 19, 2020; Twenty-second amendment on June 23, 2021; Twenty-third amendment on June 14, 2022; Twenty-four amendment on June 21, 2024. <u>Twenty-five amendment on May 16, 2025.</u>	Sixteenth amended on June 13, 2012; Seventeenth amended on June 13, 2013; Eighteenth amendment on June 11, 2014; Nineteenth amendment on June 18, 2015; Twentieth amendment on June 16, 2016; Twenty-first amendment on June 19, 2020; Twenty-second amendment on June 23, 2021; Twenty-third amendment on June 14, 2022. Twenty-four amendment on June 21, 2024.