

Subject: The Board of Directors approved a share exchange with TECO ELECTRIC & MACHINERY CO., LTD

Date of events: 2025/07/30

Contents:

1. Date of occurrence of the event: 2025/07/30

2. Subject company of share exchange:

TECO ELECTRIC & MACHINERY CO., LTD ("Teco")

3. Counterparty: Teco

4. Whether the counterparty of the current transaction is a related party: No

5. Relationship between the trading counterparty and the Company, explanation of the reasons for the decision to acquire or transfer shares to an affiliated enterprise or related party, and whether it will affect shareholders' equity: NA

6. Purpose/objective of the share exchange:

To enhance long-term competitiveness, the company will unite with strategic partners to capitalize on mutual strengths and jointly build AI data center business.

7. Whether the original shareholders are required to trade shares as the consideration, types and no. of the shares of the Company exchanged, and the subject company's shareholding percentage of the Company after the share exchange: NA

8. Types and no. of the exchange shares to obtain:

237,644,068 common shares of Teco

9. Anticipated benefits of the share exchange:

Leveraging the strengths of both companies in electromechanical and ICT fields, the company aims to capitalize on the global trend of AI data center construction toward standardization and modularization. Together, we will explore vast business opportunities in the global AIDC market, and in the future, we will continue to explore potential collaborations in Foxconn's focused 3+3+3 strategy areas.

10. Share exchange ratio and basis of its calculation:

(1) The agreed exchange ratio is 1 share of Teco common shares to be exchanged for 0.305 shares of the Company's common shares.

(2) The share exchange ratio has been determined based on the financial information of both companies, such as market values, book values, profitability, as well as other relevant factors.

11. Whether the CPA, lawyer or securities underwriter issued an unreasonable opinion regarding the transaction: No

12. Name of accounting, law or securities firm: Diwan & Company

13. Name of CPA or lawyer: Lu Ruiwen

14. Practice certificate number of the CPA:

Financial Supervisory Commission (Securities) Certificate No. 5645

15. Estimated date of completion:

The tentative record date for the share exchange is set on October 1, 2025

16. Basic information of the subject company:

TECO's business operations encompass the sales and installation of a wide range of products including: various types of mechanical equipment, refrigeration and air-conditioning systems, power generation, transmission, and distribution machinery, as well as electrical appliances, audio-visual electronics, and wired and wireless communication equipment.

17. Restrictive covenants in the contract, and other important terms and conditions regarding future transfers of shares resulting from the share exchange: None

18. Cumulative no. of shares held (including the current transaction), their monetary amount, shareholding percentage, and status of any restriction of rights (e.g., pledges), as of the present moment:

Cumulative numbers of shares held: 237,644,068 ordinary shares Total cumulative monetary amount: NTD 11,026,684,755 (The transaction this time is based on share price on July, 29, 2025) Shareholding percentage: 10% (after capital increase) Status of any restriction of rights: None

19. Current ratio of securities investment (including the current trade, as listed in article 3 of Regulations Governing the Acquisition and Disposal of Assets by Public Companies) to the total assets and equity attributable to owners of the parent as shown in the most recent financial statement and working capital as shown in the most recent financial statement as of the present:

(1) Ratio of the total assets in the Company's most recent standalone financial statements: 16.77%

(2) Ratio of the equity attributable to owners of the Company in the most recent consolidated financial statements: 37.09%

(3)Working capital of the Company's most recent standalone financial statements: NTD -252,428,890 thousand

20.Other important terms and conditions: None

21.Any objections by directors to the present transaction: No

22.Information regarding directors with personal interest (name of natural person director or name of legal person director and its representative, material interest of the director or the legal person represented by the director, reason for recusal or otherwise, details of recusal, and reason for a resolution for or against the proposal):None

23.Any other matters that need to be specified: None

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