

HWA FONG RUBBER IND. CO., LTD.

2025 FIRST EXTRAORDINARY SHAREHOLDER'S MEETING

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Hwa Fong Rubber Ind. Co., Ltd.

2025 First Extraordinary Shareholders 'Meeting

Meeting Procedure

I. Call Meeting to Order

II. Chairman's Address

III. Matters for Discussion

IV. Extemporaneous Motions

V. Adjournment

Hwa Fong Rubber Ind. Co., Ltd.

2025 First Extraordinary Shareholders 'Meeting

Meeting Agenda

Time : December 1, 2025, (Monday), at 2:00 p.m.

Place : No. 20, Sec. 1, Zhongshan Rd., Chung Chuang Village, Huatan Township, Changhua County (The Company's Huatan Plant)

Method : Physical shareholders' meeting.

I. Call Meeting to Order (Report of shareholding attendance)

II. Chairman's Address

III. Matters for Discussion

1. Company Intends to Acquire Real Estate from Related Parties.

IV. Extemporaneous Motions

V. Adjournment

Matters for Discussion

Proposed by Board of Directors

ONE

Proposal : Company Intends to Acquire Real Estate from Related Parties, for your decision.

Explanation :

1. In response to global economic changes and the global expansion of Group, Company intends to acquire the land, plant, and ancillary facilities located in New York State, USA, from Sumitomo Rubber USA, LLC, a subsidiary of related party, Sumitomo Rubber Ind. Co., Ltd. For the Asset Acquisition Evaluation Report, please refer to P.4-P.9 (Attachment 1) of the agenda.
2. In accordance with the company's Procedures for Acquiring or Disposing of Assets, professional appraisers have been commissioned to conduct a valuation of the aforementioned real estate. For the Appraisal Reports of Real Estate, please refer to P.10-P.75 (Attachment 2) of the agenda.
3. It is proposed to request the Shareholders' Meeting to authorize Chairman to have full authority to negotiate, deliver, execute, and handle all transaction-related matters regarding the acquisition of the real estate, with the purchase price not exceeding US\$28 million.
4. If the new subsidiary of Company has been completely established before the Closing, the real estate will be acquired by that new subsidiary depending on its operational needs.
5. For your decision

Resolution:

Extemporaneous Motions

Adjournment

Hwa Fong Rubber Ind. Co., Ltd.

Asset Acquisition Evaluation Report

Date:2025.9.22

I. Proposed Acquisition Target:

The land, plant and ancillary facilities registered at the Town of Tonawanda, County of Eri and State of New York of the United States of America.

Land area: 132.05 acres

Plant Area: 1,997,536 square feet

II. Purpose, Necessity, and Expected Benefits of the Acquisition:

1. Purpose of the Acquisition:

In response to U.S. tariffs and the final ruling of the U.S. Department of Commerce in 2021, which imposed anti-dumping and countervailing duties on passenger car tires (including light truck tires) from Taiwan and Southeast Asia, as well as the demand from U.S. OEM customers and large aftermarket distributors for production in the United States, Company plans to establish a tire production base in the United States. Therefore, it is proposed to acquire the land listed in the first item above for use as a production base. It is also planned to lease out some temporarily unused areas (if any) for active utilization, depending on production plans and order requirements.

2. Necessity and Expected Benefits:

In response to changes in the international situation, the United States currently imposes an 84.75% antidumping duty and a 25% automobile tariff on passenger car tires (including light truck tires) produced in

Taiwan. A 20% reciprocal tariff is also applied to certain tire types.

Furthermore, with freight costs rising, customers in the United States are increasingly demanding localized production. If our company can establish a production base in the United States, its products will not be subject to U.S. tariffs and anti-dumping duties, which will help Company expand into the U.S. OEM and AM markets and increase its share of revenue from the U.S. market.

III. Related Party:

Sumitomo Rubber USA, LLC:

Sumitomo Rubber USA, LLC is a 100% owned indirect subsidiary of the parent company, Sumitomo Rubber Industries, Ltd., and is therefore considered a related party of the Company.

IV. Reasons for Selecting the Related Party as the Transaction Counterparty:

The tire production plant of Sumitomo Rubber USA, LLC, an indirectly owned subsidiary of Corporate Director Sumitomo Rubber Industries Ltd. in New York State of the USA, has ceased production in 2024 due to policy decisions. The real estate is currently well maintained, and the relevant plant layout and water, electricity, gas and pipelines are all suitable for tire production. In addition, the plant was originally used for tire production. After the acquisition, Company can start production as soon as possible without making significant changes, avoiding heavy cost and time consumption on the changes or construction.

V. Transaction Price:

The estimated amount is USD\$28,000,000.

VI. Method and Basis for Determining the Transaction:

The transaction price was determined through negotiation between both parties, with reference to the valuations provided by professional appraisers.

VII. Payment Method:

To make payment in accordance with the agreement at the time of closing.

VIII. Valuation:

Company has engaged STOUT RISIUS ROSS, LLC and GA Advisory & Valuation Services, LLC to perform the valuations (Appendix# 1) and the results are as follows:

1. STOUT RISIUS ROSS, LLC:

A. Appraised Value: USD\$ 28,000,000.

B. Names of Professional Appraiser: Mr. Jason J. Krentler & Mr.

Michael F. Clifford.

C. Certificate Number: MI-12010746

2. GA Advisory & Valuation Services, LLC:

A. Appraised Value: USD\$ 28,150,000.

B. Name of Professional Appraiser: Mr. Neil F. Axler, MRICS

C. Certificate Number: CA-15092745

IX. Original Acquisition Date and Price of the Related Party, and Counterparty:

Original Acquisition Date of the Related Party:

The land and part of plant buildings were acquired on June 14th, 1999, the rest of plant buildings were gradually built by Seller in the period of June 15th, 1999 and August 1st, 2024

Counterparty of the Original Acquisition:

Dunlop Tire Corporation and a part of building were built by Seller.

Relationship Between Counterparty and Related Party: Related Party.

Original Acquisition Cost of the Related Party: USD\$ 114,825,674.

X. Relevant Information on the Reasonableness of the Proposed Transaction Conditions under Articles 16 and 17 of the Regulations Governing the Acquisition or Disposal of Assets by Public Companies:

Inapplicable. The related party has acquired the real estate for more than five years, the valuation under the first three subparagraphs of Article 16 shall not be subject to the provisions of Article 16, paragraph 4, subparagraph 2, in accordance with the Regulations Governing the Acquisition or Disposal of Assets by Public Companies.

XI. Cash Flow Forecast and Reasonableness of Fund Utilization:

The monthly cash flow forecast of Company for the coming year is provided in the attachment (Appendix#2). The funding for this plan is sufficient, primarily consisting of internal funds and cash flows from operating activities. Its utilization is based on the attached cash flow forecast and covers raw material procurement, operating expenses, and acquisition of fixed assets. Overall fund allocation meets operational needs, and the sources and uses of funds remain balanced, representing a normal and reasonable plan.

XII. Others:

If the newly established subsidiary is fully established before the Closing, the real estate will be acquired by the new subsidiary depending on its operational needs.

Since the proposed transaction amount exceeds 10% of total assets of Company, and in accordance with Article 15, Paragraph 5 of the Regulations Governing the Acquisition and Disposal of Assets by Listed Companies, the matter approved by the Board of Directors will be submitted for ratification at an interim meeting of general shareholders.

Reporter: Deputy General Manager - Wu Pin-Yi

Reviewed by: General manager - Wang Jiaw-Chyi

Financial manager - Chen Chang-Yuan

Approved by: Chairman - Shen Kuo-Jung

Vice Chairman - Chiu Shih-Chien

Hwa Fong Rubber Ind. Co., Ltd.
Cash Flow Forecast
From October 2025 to November 2026

Period		Unit: USD in thousands													
		Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026	Jul 2026	Aug 2026	Sep 2026	Oct 2026	Nov 2026
Beginning Cash Balance(1)		677,532	559,564	896,188	345,238	332,199	347,936	418,063	431,769	345,361	368,781	392,264	430,481	420,839	394,685
Add: Non-financing Cash Inflows (2)															
Collection of Accounts Receivable		132,022	157,832	158,380	151,800	152,942	166,705	155,235	162,725	189,305	162,042	188,675	179,056	156,154	184,545
Collection of bills receivable		15,057	18,011	11,857	17,070	18,758	21,318	16,598	16,364	17,414	21,570	20,023	19,061	16,894	20,208
Interest Income Collected		1,780	465	3,302	1,207	818	932	1,215	952	3,151	1,208	825	892	1,212	831
Other Income		2,411	1,101	1,312	579	583	56,413	761	735	2,613	1,135	696	1,151	2,612	1,296
Subtotal(2)		151,270	177,409	174,851	170,656	173,101	245,368	173,809	180,776	212,483	185,955	210,219	200,160	176,872	206,880
Less: Non-financing Cash Outflows (3)															
Payment for Materials and Accounts Payable		53,465	56,258	93,260	64,593	65,675	71,919	65,032	67,774	78,224	65,689	70,102	64,305	66,191	78,318
Salary Payments		29,493	29,505	29,507	60,291	32,832	35,954	32,511	33,882	39,106	32,839	35,046	32,147	33,090	39,153
Payments for Various Expense		35,462	42,398	39,358	40,716	41,399	45,334	40,993	42,722	49,309	41,407	44,189	40,535	41,724	49,368
Acquisition of Fixed Assets		1,071	2,105	842,220	2,551	2,201	2,749	2,348	2,452	2,985	3,202	3,150	3,131	2,851	2,340
Interest Payments		2,940	3,389	4,335	4,335	4,047	4,335	4,239	4,505	4,409	4,505	4,505	4,409	4,675	4,579
Increase in long-term equity investments				210,000											
Income Tax Payments									46,560				50,440		
Others		7,131	7,131	7,121	11,209	11,210	14,950	14,980	14,930	15,030	14,830	15,010	14,835	14,820	15,020
Subtotal(3)		129,562	140,785	1,225,801	183,695	157,364	175,241	160,103	212,825	189,063	162,472	172,002	209,802	163,351	188,778
Net Financing Cash Flows (4)															
Increase (Decrease) in Short-term and Long-term Borrowings			300,000	500,000					100,000					100,000	
Others		(139,675)						1	(154,359)					(139,675)	
Subtotal(4)		(139,675)	300,000	500,000	0	0	0		(54,359)					(39,675)	
Ending Cash Balance		559,564	896,188	345,238	332,199	347,936	418,063	431,769	345,361	368,781	392,264	430,481	420,839	394,685	412,787
(5) = (1) + (2) - (3) + (4)															

Sumitomo Corporation – Tonawanda Facility

Valuation of Certain Real Property as of June 30, 2025

Issued: September 11, 2025

PRIVILEGED AND CONFIDENTIAL



Contact Information



For more information, please contact one of the following members of the engagement team:

Jason J. Krentler, MAI, FRICS
Managing Director
+1.248.432.1281
jkrentler@stout.com

Michael F. Clifford, MAI
Senior Vice President
+1.248.432.1313
mclifford@stout.com



Investment Banking & Restructuring

Providing mergers and acquisitions advisory, private capital raising, and distressed advisory services for buyers and sellers.

Accounting & Reporting Advisory

Providing accounting expertise for audit support, technical accounting and standards implementation, internal controls, and financial statement preparation.

Valuation Advisory

Providing valuations of business enterprises, debt, equity, complex securities, intellectual property, real estate, and personal property.

Transaction Advisory

Providing financial, IT, and tax due diligence, fairness and solvency opinions, interim management, and integration and separation support.

Disputes, Claims, & Investigations

Providing expert testimony and consulting, as well as insurance claim, investigations, and compliance services for financial-related matters.

Exhibit A Valuation of Real Property

Exhibit B Appraisal Definitions and Other Pertinent Terms

Exhibit C Assumptions and Limiting Conditions

Exhibit D Certification

Exhibit E Statements of Qualifications

Executive Summary



September 11, 2025

Mr. Ziad Assad
Duro Tire & Wheel
10 Sheridan Drive
Tonawanda, New York 14150

Dear Mr. Assad:

Stout Risius Ross, LLC ("Stout") has been engaged to render an opinion with respect to the Market Value of the fee simple interest of the real property located at 10 Sheridan Drive, Tonawanda, New York (the "Subject" or "Subject Real Property") and owned by Sumitomo Corporation ("Sumitomo", or the "Company") as of June 30, 2025 (the "Valuation Date"). It is our understanding that the results of our analysis will be used for internal management planning purposes related to the potential sale of the real property. Neither Stout's value conclusions nor our work product are in any way intended for, nor may they be relied upon by any other party or used for any other purposes without our express, prior written consent.

The scope of our engagement includes a determination of the Market Value of the Subject Real Property as of the Valuation Date only. This analysis does not include a valuation of any other assets or liabilities associated with the Subject Real Property or Company. However, Stout was engaged to value certain personal property assets of Sumitomo as of the Valuation Date. The analysis related to the personal property assets is contained in a separate report.

Facility Overview

The Sumitomo facility located in Tonawanda, New York, was constructed in 1920 and previously manufactured automotive tires for passenger cars,

trucks, buses, and motorcycles. It ceased operations in November 2024 after an extended examination of its viability unable to overcome the financial losses in a competitive tire market.

The tire manufacturing process begins with raw materials which are stored in silos or material receiving areas. Raw materials are then combined and processed in a series of eight mixers. Rubber produced on the mixing lines is then transported to either calendaring lines or to extruding and component lines. The calendaring process reduces the thickness of the rubber to a final dimension and embeds cloth or wire layers between two layers of rubber. Material produced on the calendaring lines is cut to specific lengths and transported to the tire assembly area. The extruding and component lines produce extruded rubber for treads, sidewalls, and other tire components. Next, tire components are assembled into a green tire (an assembled tire that has not been cured) on a series of tire building machines. From the tire building area, tires are sent to curing presses which heat and mold the tire into its final form. After curing, the tires are transported to a final finish area where they are measured, balanced, and packaged for shipment.

Definition and Premise of Value

In performing our analysis, the term "Market Value" is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.

Executive Summary



Real Property Overview

The tangible assets appraised in our analysis include certain real property owned by the Company as of the Valuation Date. The Subject Real Property is an industrial facility that includes a gross building area of 1,997,536 square feet on a 132.05-acre development site. The facility has clear ceiling heights ranging from 12 feet to 30 feet and approximately 4.1% of the building area is finished office space. The subject was built in stages from 1920 through 2022, has been well maintained and is considered to be in average condition for its age. A summary of the Subject Real Property details are presented in Exhibit A.2. Supporting schedules related to the analysis are contained in Exhibits A.3 to A.5.

Scope of the Real Property Appraisal

The scope of the real property analysis includes, but is not limited to, the following:

- discussions with Company personnel to obtain physical and operational data on the Subject Real Property;
- analysis of location demographics and market conditions;
- estimation of the highest and best use of the Subject Real Property;
- research and analysis of data gathered from Stout files as well as from discussions with real property brokers familiar with the real property market in the subject location;
- investigation of market data available from public records and commercial sources of data. Search parameters for comparable market data begin in the subject property's immediate neighborhood and are expanded geographically until sufficient data was found to estimate Market Value. The sales data used in this appraisal was either (a) verified with a person or persons directly involved in the

transaction or (b) corroborated using empirical data determined to support the data as correct;

- analysis of pertinent cost data, such as the Marshall Valuation Service Cost Manual; and
- estimation of the Market Value of the Subject Real Property using the Sales Comparison Approach and Cost Approach. A full Income Capitalization Approach was not applied in this appraisal assignment; however, a high-level direct capitalization analysis was performed internally as support to the Sales Comparison Approach and Cost Approach conclusions.

The principal sources of information used in performing our valuation of the Subject Real Property included, but were not limited to:

- building layouts, floor plans, and site plans;
- recent real property tax statements and tax information;
- legal descriptions and other legal documentation;
- recent improvement and renovation records, including capital improvement forecasts;
- records of all recent transfers of the Subject Real Property; and
- other pertinent information.

To fully understand the rationale for the opinions and conclusions, reference must be made to the appraisal file. Data and/or analyses used in the course of this appraisal assignment, which are not detailed in this report, are retained in the appraisal file in compliance with the Uniform Standards of Professional Appraisal Practice ("USPAP") of the Appraisal Foundation.

For additional information regarding the real property appraisal, please refer to the *Assumptions and Limiting Conditions* presented in Exhibit C.

Executive Summary



Additionally, refer to Exhibit B for relevant *Appraisal Definitions and Other Pertinent Terms*.

Date of Value Estimate and Real Property Inspection

The Market Value of the Subject Real Property is being estimated as of June 30, 2025, the Valuation Date.

Due to the nature and scope of this engagement, we did not inspect the Subject Real Property. Our appraisal was performed utilizing information provided by management, including facility drawings, site plans, property tax statements, and other relevant materials. We have assumed that the data provided by management is complete and accurate, as it was not verified by physical inspection.

Ownership and Sales History of the Subject Real Property

As of the Valuation Date, title to the Subject Real Property was held by Goodyear Dunlop Tires North America Ltd, an entity related to Sumitomo Corporation. To our knowledge, there have not been any recorded transfers of the Subject Real Property within the past three years. Furthermore, the property is not currently listed for sale, and there are no outstanding offers or options for the sale of the property.

Property Rights Appraised

The property rights appraised for the Subject Real Property is the fee simple estate.

Exposure and Marketing Time

We estimated the exposure time and marketing time of the Subject Real Property of 12 months based on our analysis of the time on market for comparable property sales and a review of investor surveys.

Highest and Best Use

The highest and best use is defined as the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. In broad terms, highest and best use is determined based on the use of the asset by market participants that would maximize the value of the asset or group of assets within which the asset would be used, even if the intended use of the asset by the reporting entity is different.

When estimating the highest and best use of real property, an analysis must be performed first as if the property is vacant land with no improvements, and second as it is currently improved. In both cases, the highest and best use is that use which is the most profitable use to which the property can be put.

Four criteria must be met by a potential use for it to be the property's highest and best use. These criteria are (a) legal permissibility; (b) physical possibility; (c) financial feasibility; and (d) maximum productivity. These criteria apply to both analyses (i.e., as if vacant and as improved).

The above-mentioned criteria are considered in the analysis of the highest and best use of the Subject Real Property. The conclusions are stated below.

Executive Summary



Highest and Best Use as if Vacant

The highest and best use of the Subject Real Property, as if vacant, is to hold for future development.

Highest and Best Use as Improved

The highest and best use of the Subject Real Property, as improved, is for continued use of the existing improvements.

Approaches to Value

Current real property appraisal theory includes consideration of several appraisal approaches, including a cost approach, sales comparison approach, and income capitalization approach. A specific appraisal assignment may use one or more of these valuation approaches based on the definition of value and the quality and quantity of data available for the analysis. A description of the approaches is discussed below.

Cost Approach

The cost approach is based on the theory that market participants value a property by examining the costs associated with purchasing a comparable site and replacing or reproducing the existing improvements. This approach is most commonly used to estimate the market value of a proposed or recently constructed property, a special-purpose property, or a less frequently exchanged property.

The cost approach is performed in three steps. First, the land value must be estimated. Land value is estimated based upon the conclusion of the subject property's highest and best use as vacant and ready for development. Next, the current costs to reconstruct or replace the improvements can be derived

from actual construction costs, cost manuals, or discussions with builders and contractors. The final step of the cost approach is to consider the amount of depreciation the subject property's improvements have sustained, and to subtract this amount from the cost new.

Sales Comparison Approach

The sales comparison approach is based on the premise that market participants value a property based on the sales prices of similar properties (or comparable sales). This approach is most useful when there have been a significant number of recent sales and listings of similar properties.

In performing the sales comparison approach, an analysis of the degree of similarity between the subject property and the comparable properties is made. Initially, the following elements are considered: property rights conveyed, financing, conditions of sale, expenditures made immediately after the purchase of the property, and market conditions. An estimate of the impact that each of these initial elements has on the comparable properties is calculated in relation to the subject property. These adjustments (which can be positive or negative) are made to the sales price of each comparable property and yield an interim adjusted sales price.

Finally, all other relevant elements of comparison, such as locational attributes, physical characteristics, economic factors, property use (zoning), and nonrealty components (e.g., personal property, business concerns, or other items that do not constitute real property but are included in either the sales price of the comparable property or the ownership interest in the subject property) are grouped together. The impact that these factors have on the price of each comparable property is estimated. An adjustment quantifying this impact is applied to the interim adjusted sales prices of the

comparable properties and results in an indicated range of values for the subject property.

Income Capitalization Approach

The income capitalization approach is based on the premise that market participants measure the value of a property by calculating the present value of the future economic benefits associated with property ownership. Since this approach is based on projected cash flow streams, the income capitalization approach is most appropriate for income-generating properties.

There are two methods of income capitalization: direct capitalization and yield capitalization (also known as the DCF analysis). In direct capitalization, net operating income is divided by an overall capitalization rate. In yield capitalization, the property's future income stream, including the annual cash flows and the eventual sale of the property (reversion), are discounted to a present value. The direct capitalization method is often more applicable for properties with relatively stable future cash flows, while the DCF Method is often more applicable for properties with varying annual cash flows.

Reconciliation of Valuation Approaches

While all valuation approaches were considered in this appraisal assignment, only the Sales Comparison Approach and Cost Approach are utilized to estimate the Market Value of the Subject Real Property. The Income Capitalization Approach was considered but not applied because the Subject Real Property is not an income-producing property. Further due to the size and age of the facility, there is a limited tenant pool for the lease of the whole facility to a single user. Because of this, it would be speculative

for us to project lease-up and demising costs required to allow the subject to be used by multiple tenants. However, we note a high-level direct capitalization analysis was performed internally as support for the Sales Comparison Approach and Cost Approach conclusions.

Valuation Process

Sales Comparison Approach

The Sales Comparison Approach is based upon an analysis of comparable sales. In the case of properties similar to the Subject Real Property, market participants analyze comparable properties based on a price per square foot ("SF") of gross building area ("GBA"). Accordingly, our analysis is consistent with the procedures employed by market participants and appropriately accounts for differences between the Subject Real Property and the comparable properties with respect to the elements of comparison utilized. A summary of the comparable sales and the adjustments applied to estimate the value of the Subject Real Property is presented in Exhibit A.3.

Cost Approach

Land Valuation

The first step of valuing the Subject Real Property under the Cost Approach is to determine the value of land, which is typically done using the Sales Comparison Approach. We researched similar land sales recently occurring in the Subject Real Property's markets. We also discussed land values with real estate brokers familiar with the area. Our investigation of comparable land sales is significant because it reflects the actions of buyers and sellers active in the marketplace. Moreover, the comparable sales reflect the size and use of the Subject Real Property. We used specific land sales and

Executive Summary



current listings to determine the land value for the subject location. The analysis for the land valuation is presented in Exhibit A.5.

Replacement Cost of Improvements

Typically, examining actual construction costs of comparable properties provides the best source of cost information. This is often augmented by discussions with the contractor and other local building cost estimators. Frequently, this information is unavailable, and it is necessary to analyze published data of cost estimators. This includes the publication by *Marshall & Swift (the "MVS Manual")*. This resource is internationally recognized and compiles extensive construction cost estimates for various types of improvements.

In our analysis of the Subject Real Property, we estimated the replacement cost new of the improvements by using the Calculator Section in the *MVS Manual*. To keep its estimates current, *MVS* provides revisions on a monthly basis. Regional and local adjustment factors are also provided, which account for differences in costs based on location.

The calculation of the replacement costs for the Subject Real Property includes an estimate of the base costs. This represents the direct costs ("hard costs") associated with constructing the property, including construction materials and labor. The base costs presented in the *MVS Manual* also include certain indirect costs ("soft costs") associated with the construction of the property, including plans, specifications, building permits, architects fees, and contractors' overhead and profit.

The base costs presented in the *MVS Manual* are adjusted for multipliers, as previously discussed, to account for the date that the cost estimates are

published and the differences in costs based on the location of the Subject Real Property. Finally, we add the site improvement costs (e.g., landscaping and paving) to the total hard costs of construction.

Certain soft costs are not included in the *MVS Manual* cost estimate, such as real estate taxes during construction. In addition, entrepreneurial incentive must be considered as a soft cost. This represents the incentive that the entrepreneur expects to receive for his contribution to the development of the project, as well as for the risk assumed. If the developer cannot earn an adequate profit on the development, he or she will not participate in the project.

Upon determining the total replacement cost of the property (i.e., total hard and soft costs), depreciation of the improvements must be considered. The conclusion of depreciation is based on the physical deterioration of the improvements and considers the presence of external or functional obsolescence. Physical deterioration is calculated on a straight-line basis and is a quotient of effective age and useful life. Effective age considers the construction dates of the Subject Real Property, as well as condition of the improvements observed on inspection and noted in discussions with management. Based primarily on the size, age, and use of the Subject Real Property improvements, no external or functional obsolescence is applied in our analysis. The calculations detailing the cost approach are presented in the cost summary tables presented in Exhibit A.4.

Executive Summary



Conclusion of Value

Based on the foregoing and as presented in Exhibit A.1, the Market Value of the Subject Real Property, as of the Valuation Date, is estimated to be \$28.0 million. Additionally, the table presented in Exhibit A.1 allocates the Market Value conclusion between the land, building improvements, and site improvements.

This valuation is subject to the assumptions and limiting conditions outlined in the exhibits of this report.

Regards,

A handwritten signature in black ink that reads "Stout Riskier Ross, LLC".

STOUT RISIUS ROSS, LLC

A. Valuation of Real Property



Conclusion of Market Value - Tonawanda, New York

In U.S. Dollars

Exhibit A.1

Location	Sales Comparison Approach	Income Capitalization Approach	Cost Approach	Concluded Market Value	Market Value Allocation		
					Land Value	Building Improvements	Site Improvements
1 10 Sheridan Drive, Tonawanda, New York	\$ 28,000,000	n/a	\$ 27,400,000	\$ 28,000,000	\$ 4,200,000	\$ 21,947,610	\$ 1,852,390
2 Market Value of Real Property				\$ 28,000,000	\$ 4,200,000	\$ 21,947,610	\$ 1,852,390

Source: Stout owned real property valuation schedules

Summary of Real Property

Exhibit A.2

Location	Gross Building Area	Site Area	Building Use	Office Percentage	Clear Ceiling Height	Year Built	Additions / Renovations
1 10 Sheridan Drive, Tonawanda, New York	1,997,536 SF	132.05 Acres	Manufacturing	4.1%	12 to 30 feet	1920	thru 2022

Source: Sumitomo records

STOUT

In U.S. Dollars

[a] Equal to adjusted price subtotal times (1 + subtotal other adjustments).

A. Valuation of Real Property



Cost Approach - Tonawanda, New York Exhibit A.4

In U.S. Dollars

		Office and	
		Notes	Total
		Manufacturing	
1	Base Cost		
2	HVAC Adjustment	\$72.00	
3	Sprinklers Adjustment	2.01	
4	Total Base Costs per SF	<u>0.22</u>	
5	Size (SF)		
6	Total Base Costs	1,997,536	
		<u>\$ 148,267,110</u>	
7	Current Cost Multiplier	1.0400	
8	Comparative Cost Multiplier	1.0000	
9	Local Multiplier	1.1100	
10	Perimeter Multiplier	0.8410	
11	Story Height Multiplier	1.0860	
12	Total Multiplier	<u>1.0543</u>	
13	Adjusted Base Costs	<u>\$ 156,324,468</u>	<u>\$ 156,324,468</u>
14	Add: Railspr Costs (7,575 LF, 9 switches)		2,061,631
15	Site Improvement Area (SF)	2,071,756	
16	Cost per SF	<u>\$4.25</u>	
17	Add: Total Site Costs		<u>\$ 8,804,963</u>
18	Total Hard Costs		<u>\$ 167,191,063</u>
19	Add: Soft Costs	2.5%	4,179,777
20	Subtotal Hard and Soft Costs		<u>\$ 171,370,839</u>
21	Add: Entrepreneurial Incentive	5.0%	8,568,542
22	Total Hard and Soft Costs		<u>\$ 179,939,381</u>
23	Less: Depreciation - Site Improvements	80.5%	(7,623,951)
24	Less: Depreciation - Buildings & Other	87.5%	(149,155,160)
25	Total Depreciated Replacement Cost		<u>\$ 23,160,270</u>
26	Add: Land Value (Rounded)	[a]	4,200,000
27	Market Value (Rounded)		<u>\$ 27,400,000</u>

[a] Refer to the next page of this exhibit.

A. Valuation of Real Property



Cost Approach - Land Value - Tonawanda, New York In U.S. Dollars

Exhibit A.5

	Notes	Subject Property	Comparable Sale Number				
			1	2	3	4	5
1 Property		10 Sheridan Drive	North America Center	7101 S. Lake Road	2435 Brickyard Road	8995 Lockport Road	4002 River Road
2 Location		Tonawanda, New York	West Seneca, New York	Bergen, New York	Canandaigua, New York	Niagara, New York	Tonawanda, New York
3 Sale Date		6/30/2025	Confirmed Listing	9/17/2024	9/28/2023	7/28/2023	6/9/2022
4 Site Size (SF)		5,752,198	2,616,427	2,195,424	2,792,196	8,741,185	1,631,257
5 Size (Acres)		132.05	60.06	50.40	64.10	200.67	37.45
6 Location Rating		Average	Superior	Inferior	Inferior	Superior	Similar
7 Zoning		GI, General Industrial	M-1, Manufacturing	INT-1, Interchange	I, Industrial	HI, Heavy Industry	WID, Waterfront Industrial
8 Utilities		All Available	Similar	Similar	Similar	Similar	Similar
9 Configuration		Slightly Irregular	Similar	Similar	Similar	Similar	Similar
10 Topography		Generally Level	Similar	Similar	Similar	Similar	Similar
11 Sales Price			\$2,973,213	\$1,140,000	\$1,425,000	\$8,592,143	\$1,260,000
12 Sales Price per Acre			\$49,500	\$22,619	\$22,231	\$42,817	\$33,646
13 Property Rights			0.0%	0.0%	0.0%	0.0%	0.0%
14 Adjusted Price			\$49,500	\$22,619	\$22,231	\$42,817	\$33,646
15 Financing Terms			0.0%	0.0%	0.0%	0.0%	0.0%
16 Adjusted Price			\$49,500	\$22,619	\$22,231	\$42,817	\$33,646
17 Conditions of Sale			-10.0%	0.0%	0.0%	0.0%	0.0%
18 Adjusted Price			\$44,550	\$22,619	\$22,231	\$42,817	\$33,646
19 Expenditures After Sale			\$0	\$0	\$0	\$0	\$0
20 Adjusted Price			\$44,550	\$22,619	\$22,231	\$42,817	\$33,646
21 Market Conditions			0.0%	0.8%	1.8%	1.9%	3.1%
22 Adjusted Price Subtotal			\$44,550	\$22,797	\$22,621	\$43,640	\$34,675
23 Location			-10.0%	20.0%	20.0%	-20.0%	0.0%
24 Size			-10.0%	-10.0%	-10.0%	5.0%	-10.0%
25 Zoning			0.0%	0.0%	0.0%	0.0%	0.0%
26 Utilities			0.0%	0.0%	0.0%	0.0%	0.0%
27 Configuration			0.0%	0.0%	0.0%	0.0%	0.0%
28 Topography			0.0%	0.0%	0.0%	0.0%	0.0%
29 Total Other Adjustments			-20.0%	10.0%	10.0%	-15.0%	-10.0%
30 Final Adjusted Price per Acre		[a]	\$35,640	\$25,077	\$24,883	\$37,094	\$31,208
31 Concluded Value per Acre			\$32,000				
32 Size (Acres)			132.05				
33 Market Value (Rounded)			\$ 4,200,000				

[a] Equal to adjusted price subtotal times (1 + subtotal other adjustments).

B. Appraisal Definitions and Other Pertinent Terms

Real Property

The following terms and definitions are specifically related to our appraisal of the Subject Real Property:

- Market Value: The following definition is taken from Financial Institutions Reform, Recovery and Enforcement Act (“FIRREA”) Regulations, per final rule, 12 CFR Part 34, (Docket No. 90-16), Federal Register, Volume 56 Number 165, March 31, 1994, effective June 7, 1994, Rules & Regulations. The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

The definitions of the following terms are taken from *The Dictionary of Real Property Appraisal, Seventh Edition (2022)*, published by the Appraisal Institute.

- Cash-Equivalent Price: The price of a property with above- or below-market financing expressed in terms of the price that would have been paid in an all-cash sale.
- Contract Rent: The actual rental income specified in a lease.
- Deferred Maintenance: Needed repairs or replacement of items that should have taken place during the course of normal maintenance.
- Fee Simple Estate: Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.
- Gross Lease: A lease in which the landlord receives stipulated rent and is obligated to pay all of the property’s operating and fixed expenses; also called full-service lease.
- Leased Fee Interest: A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease).
- Leasehold Interest: The tenant’s possessory interest created by a lease.

B. Appraisal Definitions and Other Pertinent Terms

- Liquidation Value: The most probable price that a specified interest in real property should bring under the following conditions:
 - Consummation of a sale within a short time period.
 - The property is subjected to market conditions prevailing as of the date of valuation.
 - Both the buyer and seller are acting prudently and knowledgeably.
 - The seller is under extreme compulsion to sell.
 - The buyer is typically motivated.
 - Both parties are acting in what they consider to be their best interests.
 - A normal marketing effort is not possible due to the brief exposure time.
 - Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
 - The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can be modified to provide for valuation with specified financing terms. Also known as disposition value.

- Market Rent: The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements ("TI").
- Personal Property: (1) Any tangible or intangible article that is subject to ownership and not classified as real property, including identifiable tangible objects that are considered by the general public as being "personal," such as furnishings, artwork, antiques, gems and jewelry, collectibles, machinery and equipment; and intangible property that is created and stored electronically such as plans for installation art, choreography, emails, or designs for digital tokens. (USPAP, 2024 ed.) (2) Consists of every kind of property that is not real property; movable without damage to itself or the real estate; subdivided into tangible and intangible.
- Real Property: The interests, benefits, and rights inherent in the ownership of real estate. Comment: In some jurisdictions, the terms real estate and real property have the same legal meaning. The separate definitions recognize the traditional distinction between the two concepts in appraisal theory. (USPAP, 2024 ed.)
- Triple Net Lease (listed in dictionary as net net net lease): A lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management. Also called *NNN*, *triple net lease*, or *fully net lease*.

C. Assumptions and Limiting Conditions



This valuation report is also subject to the following assumptions and limiting conditions specifically related to our appraisal of the Subject Real Property:

- The Subject Real Property is appraised free and clear of all liens and encumbrances unless otherwise stated.
- It is assumed that there are no hidden or unapparent conditions of the Subject Real Property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering studies that may be required to discover them.
- It is assumed that the Subject Real Property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in this appraisal report.
- It is assumed that the Subject Real Property conforms to all applicable zoning and use regulations and restrictions unless a nonconformity has been identified, described, and considered in this appraisal report.
- It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
- It is assumed that the use of the land and improvements is confined within the boundaries or property lines of the Subject Real Property described and that there is no encroachment or trespass unless noted in this report.
- Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the subject property, was not observed. We have no knowledge of the existence of such materials on or in the Subject Real Property. However, we are not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, and other potentially hazardous materials may affect the value of the Subject Real Property. The value estimated is predicated on the assumption that there is no such material on or in the Subject Real Property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
- The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of the Subject Real Property to determine whether or not it conforms to the various detailed requirements of the ADA. It is possible that a compliance survey of the Subject Real Property, together with a detailed analysis of the requirements of the ADA, could reveal that the Subject Real Property is not in compliance with one or more of the requirements of the ADA. If so, this fact could have a negative effect upon the value of the Subject Real Property. Since we have no direct evidence relating to this issue, possible non-compliance with the requirements of the ADA is not considered in estimating the value of the Subject Real Property.
- This appraisal covers only the real property described herein. Unless specifically stated to the contrary, it does not include consideration of mineral rights or related right of entry, nor personal property or the removal thereof. Values reported herein are not intended to be valid in any other context, nor are any conclusions as to unit values applicable to any other property or utilization that are specifically identified herein.
- Due to the nature and scope of this engagement, we did not inspect the Subject Real Property. This analysis applies the extraordinary assumption that the data provided by management is complete and accurate, as it could not be verified by physical inspection.
- The conclusions stated herein, including values that are expressed in terms of the U.S. dollar, apply only as of the date of value, and are based on prevailing physical and economic conditions and available information at that time. No representation is made as to the effect of subsequent events.

C. Assumptions and Limiting Conditions



- Any allocation of the total value estimated in this report between the land and improvements applies only under the stated program of utilization. The separate values allocated to the land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
- This report has not been prepared for syndication purposes nor is it to be used for syndication purposes without our consent and then only with proper qualifications.
- If no legal description or survey was furnished, we used the county tax plat to ascertain the physical dimensions and acreage of the Subject Real Property. Should a survey prove this information to be inaccurate, it may be necessary for this appraisal to be adjusted.

D. Certification



Related to our appraisal of the Subject Real Property, we certify that to the best of our knowledge and belief:

- The statements of fact contained in this report, upon which the analysis, opinions, and conclusions expressed herein are based, are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- The data used in this report was obtained from sources believed to be reliable. All facts known to us that have bearing on the values presented in this report have been considered, and no facts of importance have been intentionally omitted herein.
- We have no present or prospective interest in the business or property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
- We have no bias with respect to the business or property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is fee-based and is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our analyses, opinions, and conclusions were developed, and this report was prepared, in conformity with requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- Stout Risius Ross, LLC has not previously appraised the real property that is the subject of this report.
- Appraisers are required to be licensed and are regulated by the State Licensing Agencies. Jason J. Krentler, MAI, FRICS is a State Certified Appraiser in the State of New York.
- Due to the nature and scope of this engagement, we did not inspect the Subject Real Property. This analysis applies the extraordinary assumption that the data provided by the client is complete and accurate, as it could not be verified by physical inspection.
- Michael F. Clifford, MAI provided significant real property appraisal or appraisal consulting assistance to the person signing this report.
- As of the date of this report, Jason J. Krentler, MAI, FRICS has completed the continuing education program for Designated Members of the Appraisal Institute.

A handwritten signature in black ink, appearing to read "J. Krentler", written over a horizontal line.

Jason J. Krentler, MAI, FRICS
Managing Director
New York Certified General Appraiser
License #: 46000049551
Expiration Date: August 23, 2027

E. Statement of Qualifications



Detroit, MI USA
Office: +1.248.432.1281
jkrentler@stout.com

Education

B.S., Finance
Oakland University

Designations

MAI, Appraisal Institute
FRICS, Royal Institute of Chartered Surveyors

Practice Areas

Real Estate Valuation
Financial Reporting
Real Estate Disputes
Valuation Disputes

Jason J. Krentler leads the real property financial reporting practice at Stout. He has over 20 years of real property valuation and consulting experience, with a concentration on financial reporting matters.

Mr. Krentler's experience includes assignments completed for a wide variety of property types across the United States as well as throughout Europe, Asia, and South America. He has extensive financial reporting experience in connection with purchase price allocations, fair value measurement, positive assurance, impairment testing, fresh start accounting, and ASC 842 lease accounting. In addition to GAAP for U.S.-based client needs, Mr. Krentler has worked on international valuations to satisfy reporting requirements associated with IFRS and International Accounting Standards (IAS).

Mr. Krentler's experience also includes net asset valuations (NAV) for REIT and institutional clients, fairness opinions, and litigation. He has testified as an expert witness for ad valorem taxation and other litigation matters throughout the United States.

Professional Memberships

- Appraisal Institute
- Royal Institute of Chartered Surveyors (RICS)
- CoreNet (Board of Directors)
- Great Lakes Chapter of the Appraisal Institute (Board of Directors)
- Urban Land Institute

E. Statement of Qualifications



Detroit, MI USA
Office: +1.248.432.1313
mclifford@stout.com
Education

M.S.A., Accounting
Grand Valley State University

B.A., Geography
Michigan State University

Designations

MAI, Appraisal Institute

Certified General Real Estate
Appraiser – Various States

Practice Areas

Financial Reporting
Real Estate Valuation
Trust & Estate
Valuation Disputes
Real Estate Disputes

Michael F. Clifford specializes in real estate valuation and advisory services, where he has over 10 years of national and international appraisal experience.

Mr. Clifford's professional experience includes assignments completed in numerous states as well as various international locations throughout North America, South America, Europe, and the Asia-Pacific Region. His experience includes engagements for local, national, and international clients for a variety of purposes including purchase price allocation, asset impairment testing, financing, estate and gift taxation, ad valorem taxation, consulting, and litigation. Mr. Clifford has also completed favorable/unfavorable lease analyses for financial reporting purposes.

Mr. Clifford has appraised numerous property types, including office, industrial, multi-family residential, free-standing retail buildings, community and neighborhood shopping centers, mixed-use developments, vacant land, and many special purpose properties, such as golf courses, indoor recreation facilities, chemical plants, and tactical training facilities.

Professional Memberships

- Appraisal Institute



APPRAISAL OF REAL ESTATE

**Sumitomo Corporation – Tonawanda Facility
10 Sheridan Drive, Tonawanda, NY 14150**

IN AN APPRAISAL REPORT
As of June 30, 2025

PREPARED FOR:
Mr. Ziad Assad
Duro Tire & Wheel, Inc.
10 Sheridan Drive
Tonawanda, New York 14150

Prepared for Ziad Assad of Duro Tire & Wheel



October 1, 2025

Mr. Ziad Assad
Duro Tire & Wheel, Inc.
10 Sheridan Drive
Tonawanda, New York 14150

Pursuant to our Engagement Agreement, whereby Duro Tire & Wheel, Inc. (the "Client") retained Great American Group Intellectual Property Advisors, LLC dba GA Group ("GA Group"), the appraisal report to follow is GA Group's valuation of certain real estate assets located at 10 Sheridan Drive, Tonawanda, NY 14150 (the "Subject", or the "Subject Property") owned by Client.

The conclusion of this appraisal is set forth in the attached Appraisal Report. The type of value sought in our appraisal of the Subject is an "As Is" Fair Market Value opinion for a certain fee simple interest subject to the general underlying assumptions and limiting conditions cited herein. The date of value is June 30, 2025 (the "Valuation Date"). The intended use is for internal planning purposes related to a proposed acquisition. The Client is intended user of this Appraisal Report.

A more detailed description of the site and building improvements is provided in the accompanying Appraisal Report.

This appraisal conforms with the Uniform Standards of Professional Appraisal Practice ("USPAP") of the Appraisal Foundation.

SCOPE OF THE REAL ESTATE APPRAISAL

The scope of the real property analysis includes, but is not limited to, the following:

- A physical inspection of the Subject Property.
- Contacting Client to obtain physical and financial data on the Subject valued in this appraisal.
- Analysis of location, demographics, and market conditions.
- Collection and analysis of current assessment, zoning data, and FEMA flood zone.
- Estimation of the highest and best use of the Subject.
- Investigation of market data available from public records and commercial sources of data including subscription market databases such as CoStar as well as (localized and time adjusted) cost data from Marshall & Swift Valuation Service compiled and published by Marshall & Swift/Boeckh, LLC ("MVS"). Search parameters for comparable market data began in the Subject's immediate neighborhood and were expanded geographically until sufficient data was found to be able to provide a supportable opinion of Fair Market Value.
- As part of the real estate assets valued, we included land, building, and site improvements.
- Analysis of the market data found and our opinion of Fair Market Value, as defined in this report, of the Subject as of the Valuation Date. All three approaches to value were considered for this report.
- GA Group has developed the cost approach and the sales comparison approach in preparation of this report. The income capitalization approach was not developed considering the owner-user nature of the Subject.



With the preparation of this Appraisal Report, we caution against the use of this appraisal for other than its intended purpose or without knowledge of the extent of the appraisal.

DATE OF VALUE ESTIMATE AND REAL ESTATE INSPECTION

The Fair Market Value of the Subject is being estimated as of June 30, 2025, the Valuation Date. Our appraisal of the Subject was performed utilizing information provided by Client. This analysis applies to the assumption that the data provided by Client is complete and accurate. This analysis was performed with a physical inspection of the Subject Property as per the summary below.

Street Address	City, State	Property Type	Inspected Appraiser	Inspection Date
10 Sheridan Drive	Tonawanda, NY	Light Manufacturing	Paul Munro, ASA	September 30, 2025

OWNERSHIP HISTORY

To the best of our knowledge, there have not been any recorded transfers of the Subject within the past three years, and the Subject is not listed for sale or under contract.

EXPOSURE TIME AND MARKETING PERIOD

Exposure time refers to the estimated length of time a property would have been on the market prior to the Valuation Date, assuming a competitive and open market. The marketing period, on the other hand, is the projected time it will take to sell the property after the Valuation Date, based on current market conditions. Based upon an analysis of the time on market for the sales of similar property as well as published investor surveys such as the PwC Real Estate Investor Survey, the estimated exposure time and marketing period for the Subject based on these sources is as follows:

Street Address	City, State	Property Type	Exposure Time & Marketing Period
10 Sheridan Drive	Tonawanda, NY	Light Manufacturing	12 Months

HIGHEST AND BEST USE AS IF VACANT

The highest and best use of the Subject, as if vacant, is for industrial development.

HIGHEST AND BEST USE AS IMPROVED

The highest and best use of the Subject, as improved, is for continued use of the existing improvements.

EXTRAORDINARY ASSUMPTIONS

An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions. The value conclusions are subject to the following extraordinary assumptions:

There were no extraordinary assumptions employed in this Appraisal Report.

HYPOTHETICAL CONDITION

A hypothetical condition is a fact that is known to be false but presumed to be true for the purposes of the appraisal. The value conclusions are subject to the following hypothetical conditions:

There were no hypothetical conditions employed in this report.

OVERVIEW OF VALUATION PROCESS

The valuation process is concluded by analyzing each approach to value used in the appraisal. When more than one approach is used, each approach is judged based on its applicability, reliability, and the quantity and quality of its data. A final value opinion is chosen that either corresponds to one of the approaches to value or is a correlation of all the approaches used in the appraisal. A description of the approaches is discussed below.

COST APPROACH

The cost approach is based on the theory that market participants value a property by examining the costs associated with purchasing a comparable site and replacing or reproducing the existing improvements. This approach is most commonly used to estimate the market value of a proposed or recently constructed property, a special-purpose property, or a less frequently exchanged property.

The cost approach is performed in three steps. First, the land value must be estimated. Land value is estimated based upon the conclusion of the Subject's highest and best use as vacant and ready for development. Next, the current costs to reconstruct or replace the improvements can be derived from actual construction costs, cost manuals, or discussions with builders and contractors. The final step of the cost approach is to consider the amount of depreciation the Subject's improvements have sustained, and to subtract this amount from the cost new.

SALES COMPARISON APPROACH

The sales comparison approach is based on the premise that market participants value a property based on the sale prices of similar property (or comparable sales). This approach is most useful when there has been a significant number of recent sales and listings of similar property.

In performing a sales comparison approach, an analysis of the degree of similarity between the Subject and the comparable property is made. Initially, the following elements are considered: property rights conveyed, financing, conditions of sale, expenditures made immediately after the purchase of the property, and market conditions. An estimate of the impact that each of these initial elements has on the comparable property in relation to the Subject is calculated. These adjustments (which can be upward or downward) are made to the sale price of each comparable property and yield an interim adjusted sale price.

Finally, all other relevant elements of comparison, such as locational attributes, physical characteristics, economic factors, property use (zoning), and non-realty components (e.g., personality, business concerns, or other items that do not constitute real property but are included in either the sale price of the comparable property or the ownership interest in the Subject) are

grouped together. The impact that these factors have on the price of each comparable property is estimated. An adjustment quantifying this impact is applied to the interim adjusted sale prices of the comparables, and results in an indicated range of values for the Subject.

INCOME CAPITALIZATION APPROACH

The income capitalization approach is based on the premise that market participants measure the value of a property by calculating the present value of the future economic benefits associated with property ownership. Because it is based on projected cash flow streams, the income capitalization approach is most appropriate for income-generating property.

There are two methods of income capitalization: direct capitalization and yield capitalization (also known as discounted cash flow analysis). In direct capitalization, net operating income ("NOI") is divided by an overall capitalization rate. In yield capitalization, the property's future income stream, including the annual cash flows and the eventual sale of the property (reversion), are discounted to its present value. The direct capitalization method is often more applicable for property with relatively stable future cash flows, while the discounted cash flow method is often more applicable for property with varying annual cash flows.

RECONCILIATION OF VALUES

The final step of the appraisal process is to reconcile the values indicated by each approach. In doing so, the appraisal assignment, the applicability of the approaches, and the reliability of each approach are considered. In determining which approach offers the most dependable estimate of value, consideration is given to the quantity and quality of data incorporated in each approach. After appropriate consideration is given to each valuation approach, a final opinion of value for the Subject is determined.

APPLICABILITY OF APPROACHES TO VALUE

All valuation approaches discussed above have been considered. GA Group has developed the cost approach and the sales comparison approach in preparation of this report. The income capitalization approach was not developed considering the owner-user nature of the Subject.

**CONCLUSION OF FAIR MARKET VALUE**

Based on our analysis, the Fair Market Value of the fee simple interest in the Subject Property is concluded to be:

Concluded Fair Market Value						As of June 30, 2025
In U.S. Dollars (\$ USD)						
Property Name	Property Address	City, State	Value Conclusions			Concluded Fair Market Value
			Cost Approach	Sales Comparison Approach	Income Approach	
1 Sumitomo Corporation - Tonawanda Facility	10 Sheridan Dr	Tonawanda, NY	28,300,000	28,000,000	N/A	28,150,000
						<u>28,150,000</u>

If you have any questions regarding this Appraisal Report, please contact Neil Axler at (917) 648-2159.

Thank you for the opportunity to be of service.

Sincerely,

Neil F. Axler, MRICS
Managing Director
neil.axler@eisneramper.com
(917) 648-2159

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Section I – Buffalo, NY Industrial Market Analysis

BUFFALO, NY
INDUSTRIAL MARKET ANALYSIS

The information included in our market and submarket analysis sections is sourced from CoStar Group.

MARKET OVERVIEW

"The Buffalo market continues to see fluctuating demand, with most quarters over the past several years recording negative net absorption. The market sees little new supply, however, which has kept the vacancy rate largely stable and well below the national benchmark.

Net absorption over the trailing 12-month period totaled 660,000 SF. The pace of net deliveries remains measured, with just over 16,000 SF over the past 12 months. Vacancy fell 30 basis points quarter over quarter to 4.40% as absorption returned to positive territory in 25Q2.

Leasing activity has shown signs of recovery, with 258,000 square feet leased quarter to date, the highest total since the start of the year. This uptick is largely driven by demand for modern distribution and logistics facilities, particularly in the North and Greater Buffalo submarkets, where proximity to major highways and access to labor pools remain attractive to tenants.

Construction activity across the Buffalo industrial market remains elevated with 3.2 million SF underway, representing 2.90% of inventory compared to the national benchmark of 1.60%. Most new development is focused on build-to-suit and pre-leased projects, as speculative construction has slowed in response to tighter lending conditions and a more cautious investment climate. The largest project underway is in the Niagara Falls Submarket where Amazon is building a 3.1 million-SF distribution center. The property is slated to deliver in 2026.

Rent growth in Buffalo's industrial sector has moderated but remains positive. Over the past year, market rents have increased by 2.5%, with the average asking rent now at \$8.40/SF. The strongest rent growth is observed in newer, high-clearance distribution space, while older and less functional properties are experiencing more pricing pressure. While Buffalo's overall rent growth is in line with the national benchmark, rent growth sits at 4.4% compared to the national benchmark of 1.4%. Buffalo's affordability continues to attract tenants seeking cost-effective alternatives to higher-priced coastal markets.

Looking ahead, the outlook for the Buffalo industrial market is stable. While vacancy may rise slightly as new projects deliver and some tenants recalibrate their space needs, healthy demand from logistics, food processing, and light manufacturing users is expected to support continued absorption. Risks to the outlook include ongoing economic uncertainty, higher interest rates, and the potential for supply chain disruptions. Nevertheless, Buffalo's strategic location near the Canadian border, its access to major transportation corridors, and its relatively affordable industrial space position the market for long-term growth, even as near-term conditions remain mixed."

Overview

Buffalo Industrial

12 Mo Deliveries in SF

16.6K

12 Mo Net Absorption in SF

722K

Vacancy Rate

4.4%

Market Asking Rent Growth

2.5%

KEY INDICATORS

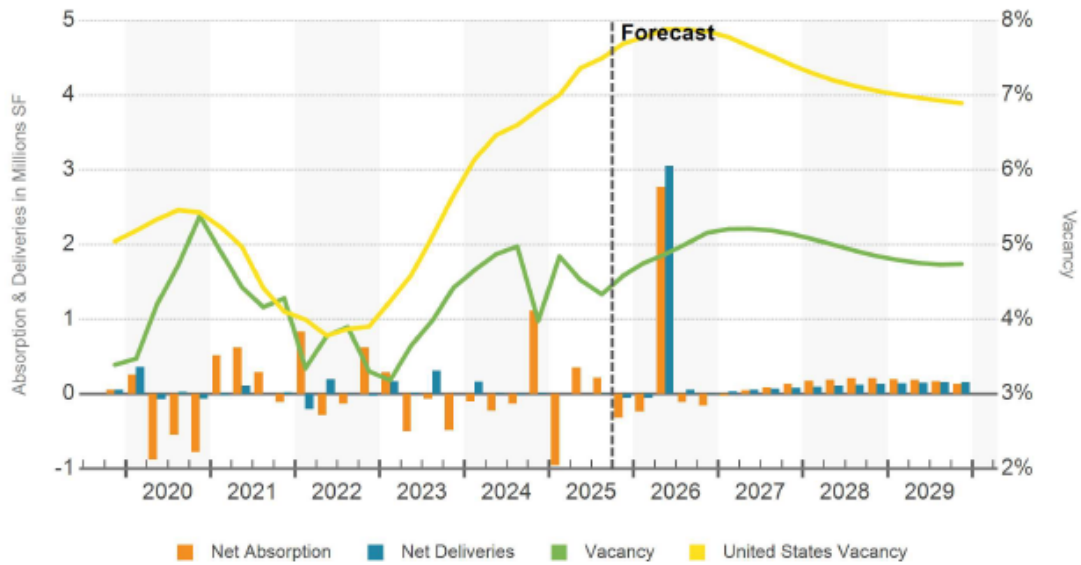
Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	57,518,184	4.7%	\$8.26	4.6%	(2,100)	0	3,180,000
Specialized Industrial	43,424,248	3.5%	\$7.49	4.0%	(57,345)	0	0
Flex	10,011,830	6.7%	\$13.69	9.6%	8,402	0	0
Market	110,954,262	4.4%	\$8.44	4.8%	(51,043)	0	3,180,000
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy	-0.6% (YOY)	6.1%	4.9%	11.4%	2007 Q1	3.1%	2018 Q3
Net Absorption SF	722K	561,118	792,172	5,661,141	2008 Q1	(1,961,901)	2020 Q4
Deliveries SF	16.6K	413,540	1,103,775	1,515,636	2017 Q1	0	2012 Q2
Market Asking Rent Growth	2.5%	3.1%	2.6%	8.2%	2022 Q3	-2.8%	2010 Q3
Sales Volume	\$164M	\$67.1M	N/A	\$168.7M	2024 Q4	\$21.6M	2008 Q3

LEASING

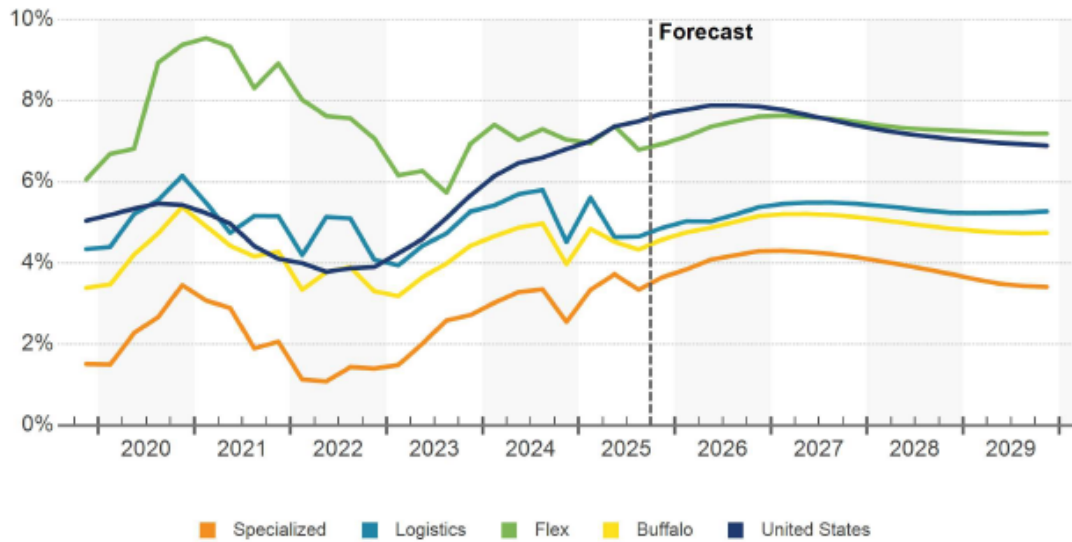
Leasing

Buffalo Industrial

NET ABSORPTION, NET DELIVERIES & VACANCY



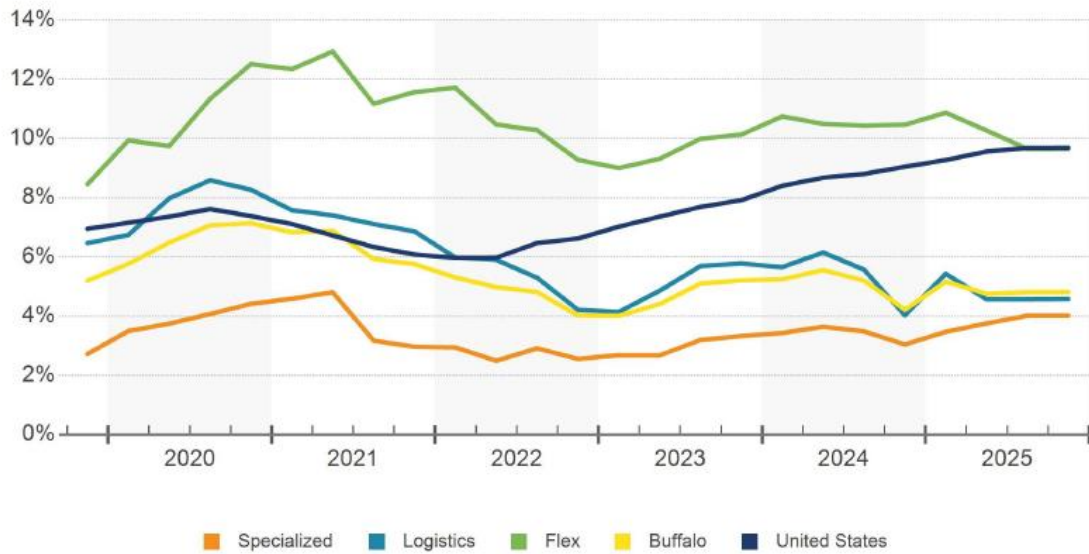
VACANCY RATE



Leasing

Buffalo Industrial

AVAILABILITY RATE

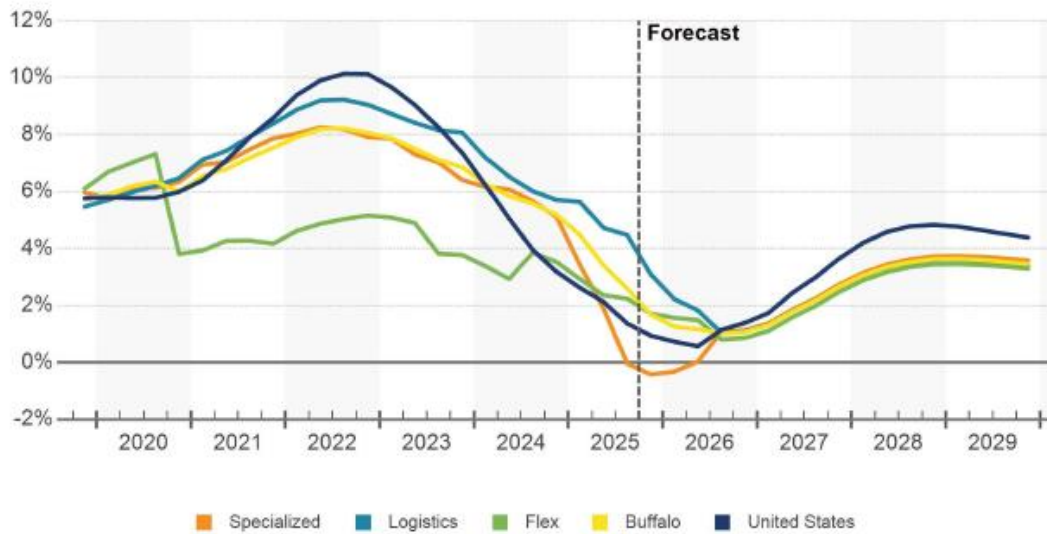


RENT TRENDS

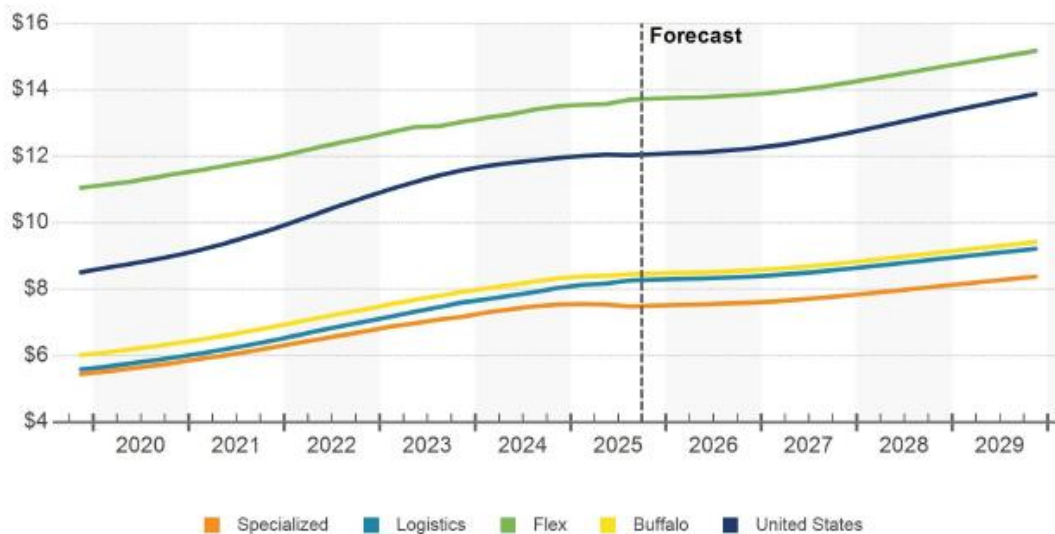
Rent

Buffalo Industrial

MARKET ASKING RENT GROWTH (YOY)



MARKET ASKING RENT PER SQUARE FEET

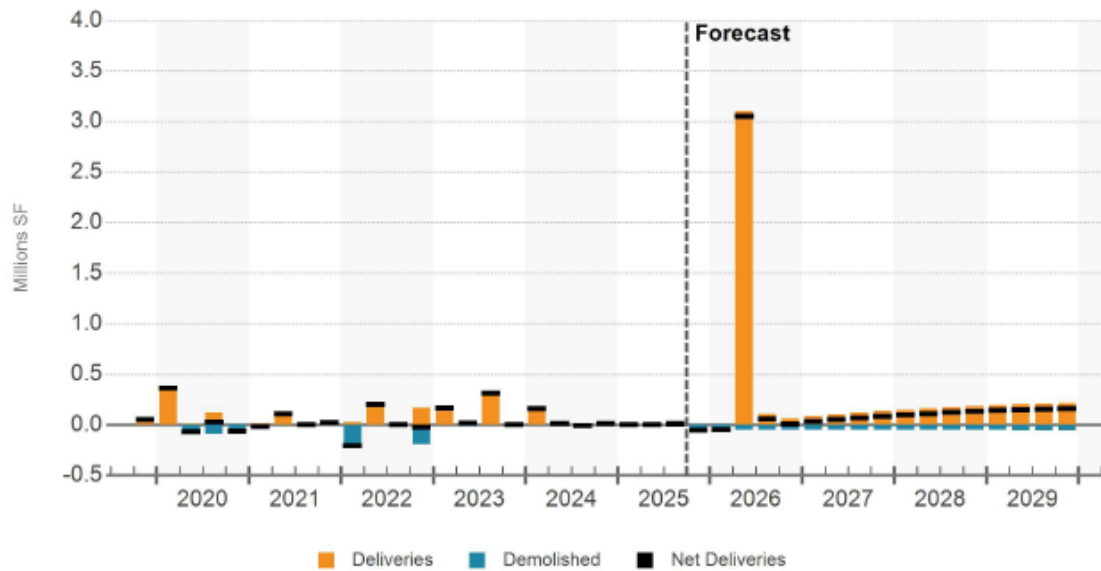


CONSTRUCTION

Construction

Buffalo Industrial

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Outlying Niagara County	1	3,100	3,100	100%	1	52,743	3,100,000	1
2	North	1	80	80	100%	1	48,047	80,000	2
3	Buffalo CBD	0	0	0	-	-	33,486	-	-
4	East	0	0	0	-	-	44,775	-	-
5	Greater Buffalo	0	0	0	-	-	49,956	-	-
6	Niagara Falls	0	0	0	-	-	37,976	-	-
7	Outlying Erie County	0	0	0	-	-	25,700	-	-
8	South	0	0	0	-	-	40,580	-	-
Totals		2	3,180	3,180	100%		45,079	1,590,000	

SALES ACTIVITY

"Investment activity slowed for the third consecutive quarter in Buffalo and sales through the first half of the year totaled \$53.8 million, a 34.00% decrease year over year.

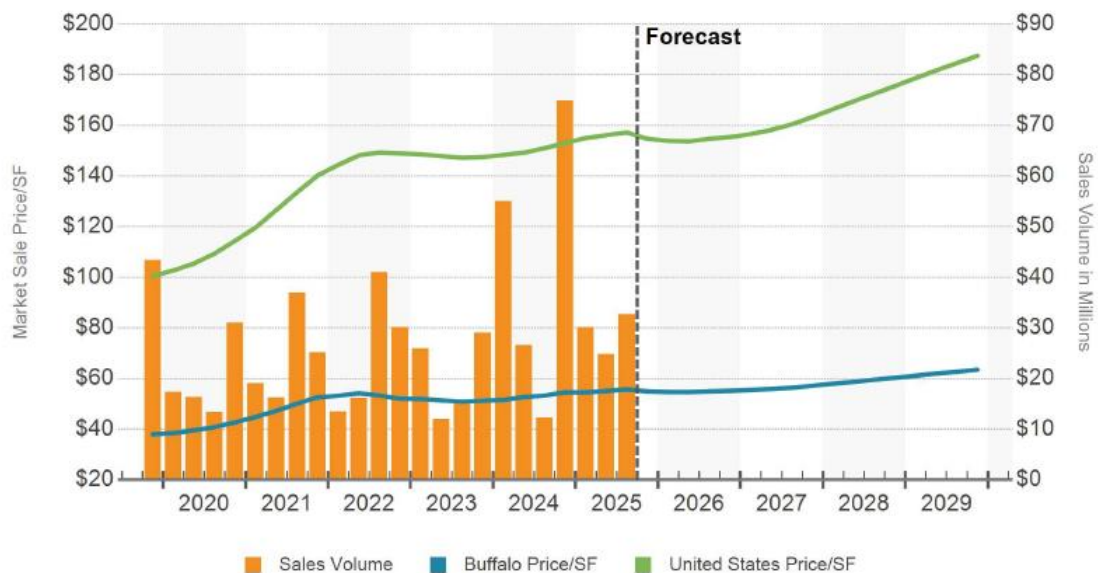
The buyer pool largely consists of private buyers, who have typically accounted for 54.00% of sales volume, while owner-users represent 30.00%. Institutional capital remains selective, focusing on well-leased, modern assets, and represents less than 10.00% of the buyer pool.

Most sales within the market consist of 2 & 3 Star assets under 100,000 SF. For example, the top sales year to date closed in June when a 28,600-Sf warehouse in the East Submarket sold for \$6.1 million (\$212.93/SF). JP Morgan Asset Management purchased the property from First Student.

Opportunistic investors are drawn to the Buffalo market given its steady rent growth, particularly among logistics properties. High-vacancy buildings typically trade at prices around \$50.00/SF. One example is a 60,000-SF warehouse along Jeffrey Boulevard in the South Submarket. A private buyer acquired the property from Shaker Realty for \$3.4 million (\$54.50/SF) and plans to advertise the building for lease.

As construction activity remains muted and leasing continues its upward trajectory, capital will likely continue to return to the Buffalo market."

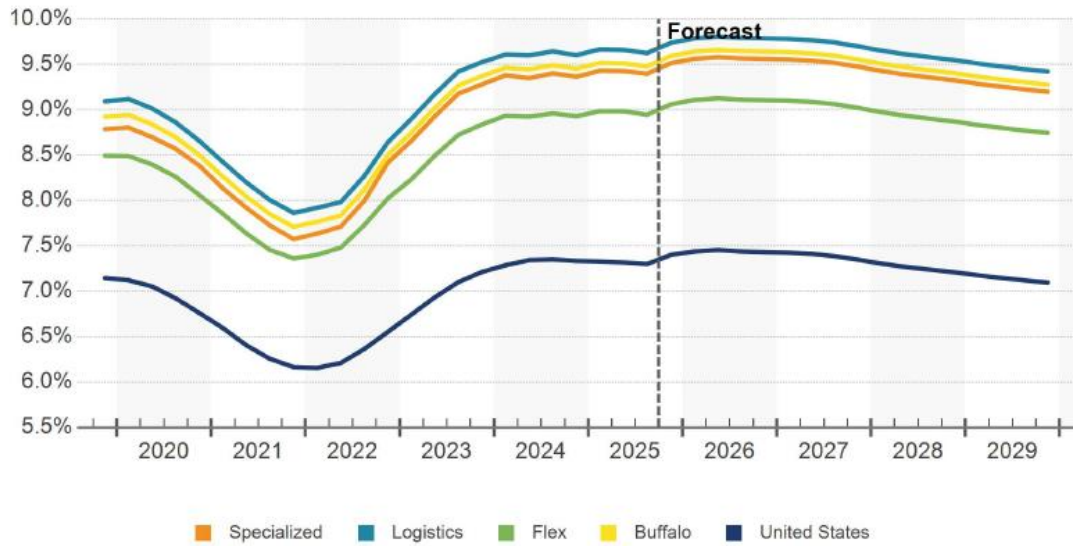
SALES VOLUME & MARKET SALE PRICE PER SF



Sales

Buffalo Industrial

MARKET CAP RATE



ECONOMY

"Historically recognized as a major industrial hub, Buffalo's economy has evolved from its roots in steel production and grain milling to a more diversified, service-oriented landscape. Today, healthcare and education are leading drivers of employment, with major institutions such as Kaleida Health, Catholic Health Systems, and the University at Buffalo anchoring the region's workforce. The financial sector, led by M&T Bank, and a growing presence in technology further contribute to the city's economic tapestry.

Despite these strengths, Buffalo faces demographic headwinds. The region's population has declined by 1.20% according to recent U.S. Census Bureau estimates, a trend mirrored by other upstate New York markets such as Rochester and Syracuse. This population loss weighs on demand for office-using employment, which remains 2.00% below pre-pandemic levels—among the weakest recoveries in the state. Nevertheless, Buffalo's affordability, access to higher education, and proximity to the Canadian border continue to attract both residents and businesses seeking a lower cost of living and strategic location.

Manufacturing remains a cornerstone of Buffalo's economy, supported by significant public and private investment. The \$900 million Solar City/Tesla project at Riverbend exemplifies the city's commitment to advanced manufacturing and clean energy, with the potential to create thousands of new jobs. Additionally, the redevelopment of a 35-acre former industrial site in the Northland Corridor into a light industrial business hub and workforce training center signals a renewed focus on industrial innovation and workforce development. These projects, along with Buffalo's access to Great Lakes trade routes, reinforce its role as a regional industrial gateway.

Looking ahead, Buffalo's economic outlook will depend on its ability to leverage its institutional strengths, attract new investment, and address demographic challenges. Ongoing efforts to revitalize industrial corridors, expand workforce training, and foster innovation in healthcare and technology position the market for gradual, sustainable growth. While population trends remain a concern, Buffalo's diversified economy and strategic location offer a foundation for resilience and long-term opportunity."

BUFFALO EMPLOYMENT BY INDUSTRY IN THOUSANDS

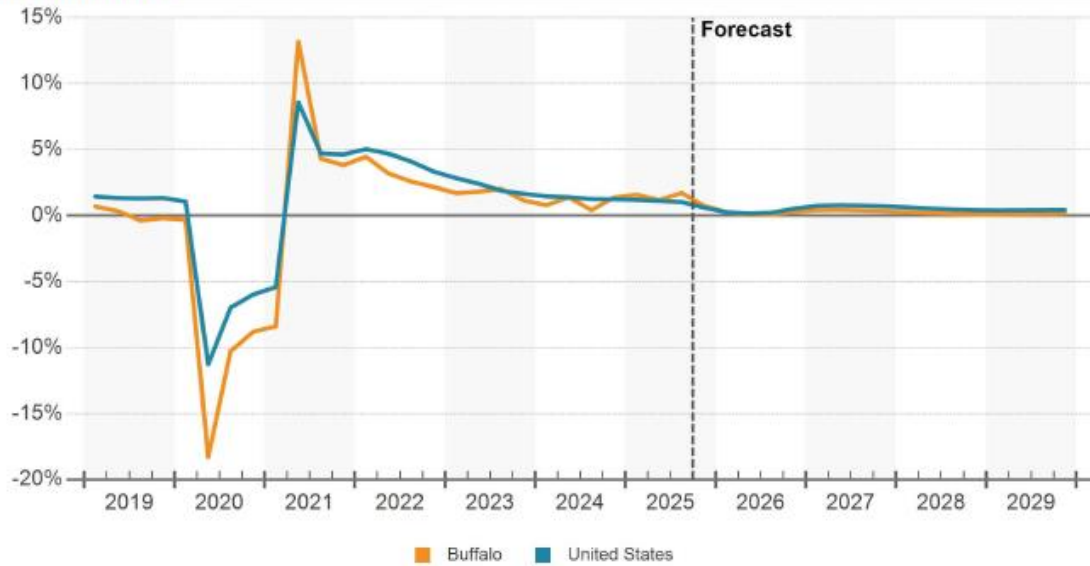
Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	53	1.2	-0.90%	-0.89%	0.25%	0.30%	0.05%	0.11%
Trade, Transportation and Utilities	102	1.0	1.31%	0.64%	-0.14%	0.83%	-0.10%	0.24%
Retail Trade	59	1.1	1.60%	0.58%	-0.74%	0.02%	-0.13%	0.16%
Financial Activities	35	1.1	0.76%	0.94%	0.19%	1.29%	0.18%	0.29%
Government	90	1.1	0.91%	0.65%	0.48%	0.67%	0.09%	0.23%
Natural Resources, Mining and Construction	22	0.7	5.04%	1.07%	0.71%	2.09%	-0.11%	0.60%
Education and Health Services	103	1.1	3.14%	3.32%	0.75%	2.21%	0.33%	0.70%
Professional and Business Services	74	0.9	0.31%	0.12%	0.33%	1.33%	0.14%	0.66%
Information	5	0.5	-2.13%	0.42%	-2.77%	0.66%	0.09%	0.34%
Leisure and Hospitality	59	1.0	5.48%	1.31%	0.00%	1.14%	0.81%	0.82%
Other Services	21	1.0	0.93%	1.15%	-1.58%	0.73%	0.14%	0.23%
Total Employment	566	1.0	1.71%	1.02%	0.19%	1.17%	0.18%	0.45%

Source: Oxford Economics
LQ = Location Quotient

Economy

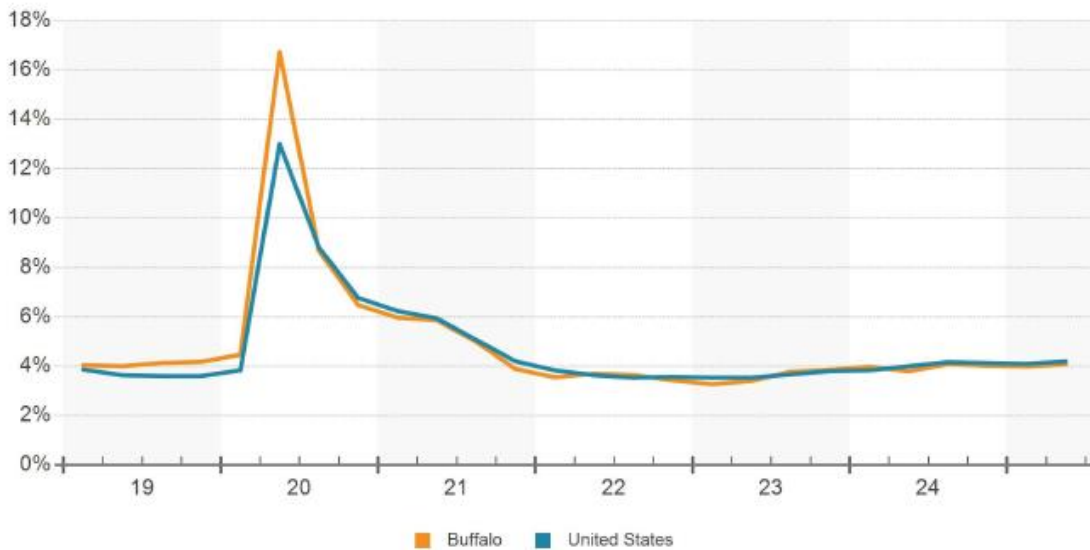
Buffalo Industrial

JOB GROWTH (YOY)



Source: Oxford Economics

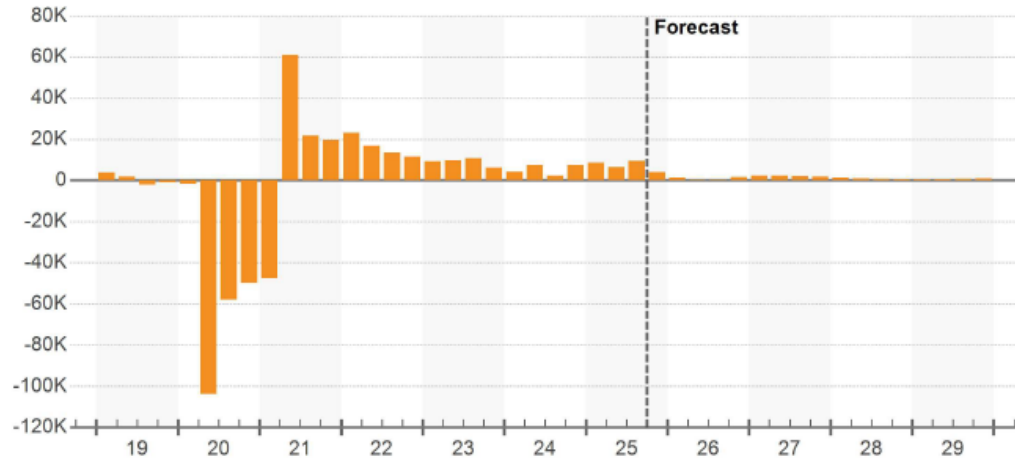
UNEMPLOYMENT RATE (%)



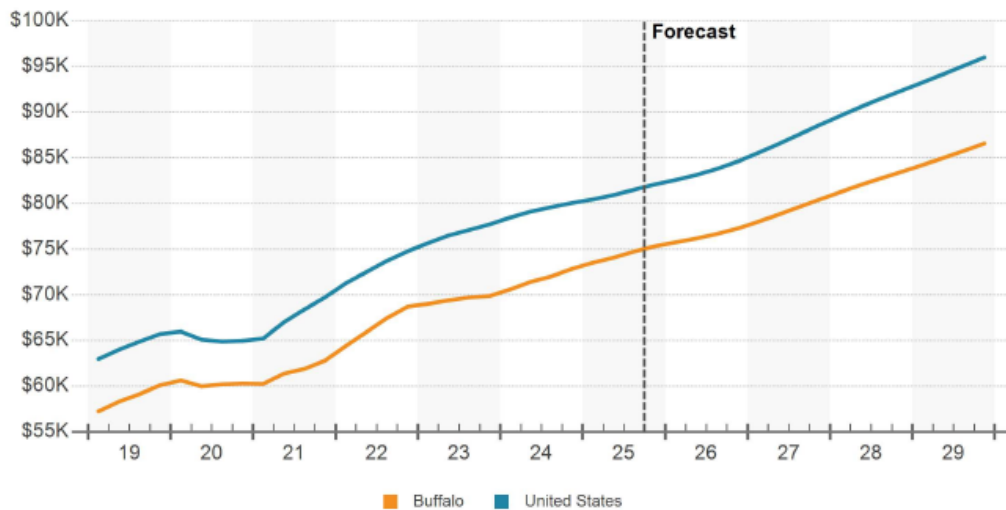
Economy

Buffalo Industrial

NET EMPLOYMENT CHANGE (YOY)



MEDIAN HOUSEHOLD INCOME



Section II – North Buffalo, NY Industrial Submarket Analysis

NORTH BUFFALO, NY SUBMARKET OVERVIEW

"The North industrial submarket has a vacancy rate of 4.30% as of the fourth quarter of 2025. Over the past year, the submarket's vacancy rate has changed by 0.80%, a result of no net delivered space and -190,000 SF of net absorption. North's vacancy rate of 4.30% compares to the submarket's five-year average of 3.40% and the 10-year average of 2.70%.

The North industrial submarket has roughly 900,000 SF of space listed as available, for an availability rate of 3.80%. As of the fourth quarter of 2025, there is 80,000 SF of industrial space under construction in North. In comparison, the submarket has averaged 35,000 SF of under construction inventory over the past 10 years.

The North industrial submarket contains roughly 23.9 million SF of inventory. The submarket has approximately 9.4 million SF of logistics inventory, 2.1 million SF of flex inventory, and 12.4 million SF of specialized inventory.

Market rents in North are \$8.90/SF. Rents average around \$9.00/SF for logistics buildings, \$12.50/SF for flex properties, and \$8.20/SF for specialized assets.

Rents have changed by 2.00% year over year in North, compared to a change of 2.50% market wide. Market rents have changed by 4.20% in logistics buildings year over year, 2.20% in flex buildings, and 0.10% in specialized buildings. In North, five-year average annual rent growth is 6.30% and 10-year average annual rent growth is 5.40%."

Overview

North Industrial

12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	Market Asking Rent Growth
0	(138K)	4.3%	2.0%

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	9,439,724	5.0%	\$9.02	3.4%	0	0	80,000
Specialized Industrial	12,354,968	3.3%	\$8.19	3.3%	(57,345)	0	0
Flex	2,080,482	7.1%	\$12.53	8.6%	0	0	0
Submarket	23,875,174	4.3%	\$8.89	3.8%	(57,345)	0	80,000

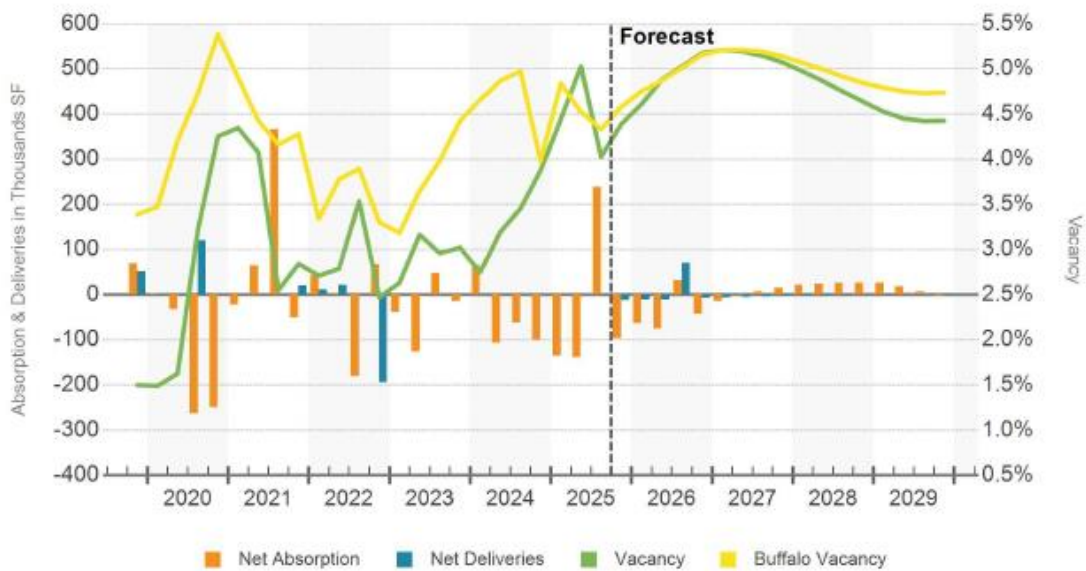
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy	0.6% (YOY)	3.7%	4.8%	8.4%	2007 Q2	1.4%	2019 Q2
Net Absorption SF	(138K)	39,002	(2,135)	1,189,718	2008 Q2	(572,097)	2021 Q1
Deliveries SF	0	39,638	43,131	170,500	2020 Q3	0	2025 Q3
Market Asking Rent Growth	2.0%	3.1%	2.6%	8.3%	2022 Q3	-3.2%	2010 Q3
Sales Volume	\$28.6M	\$14.8M	N/A	\$56.2M	2024 Q4	\$3.9M	2019 Q1

LEASING

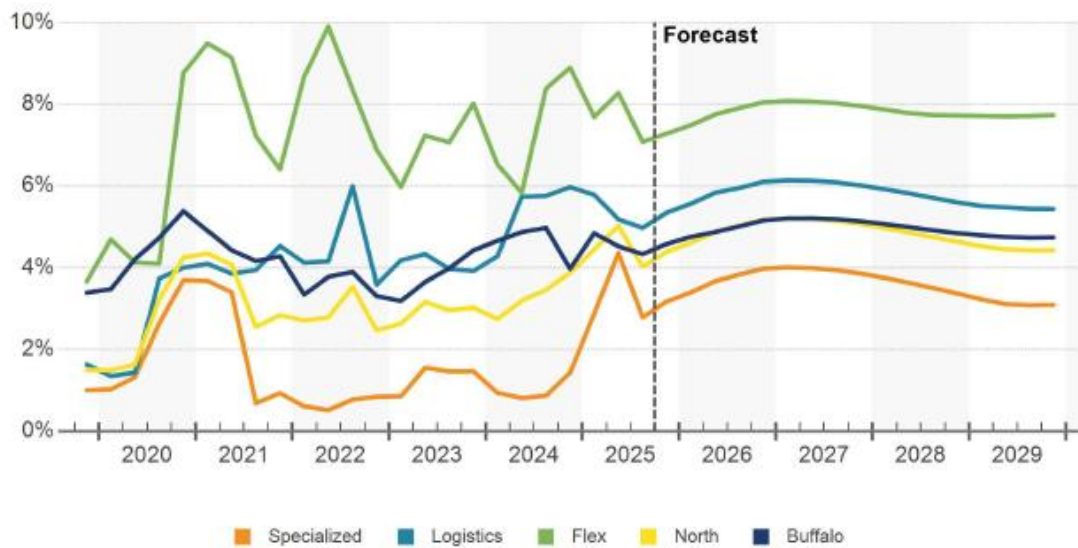
Leasing

North Industrial

NET ABSORPTION, NET DELIVERIES & VACANCY



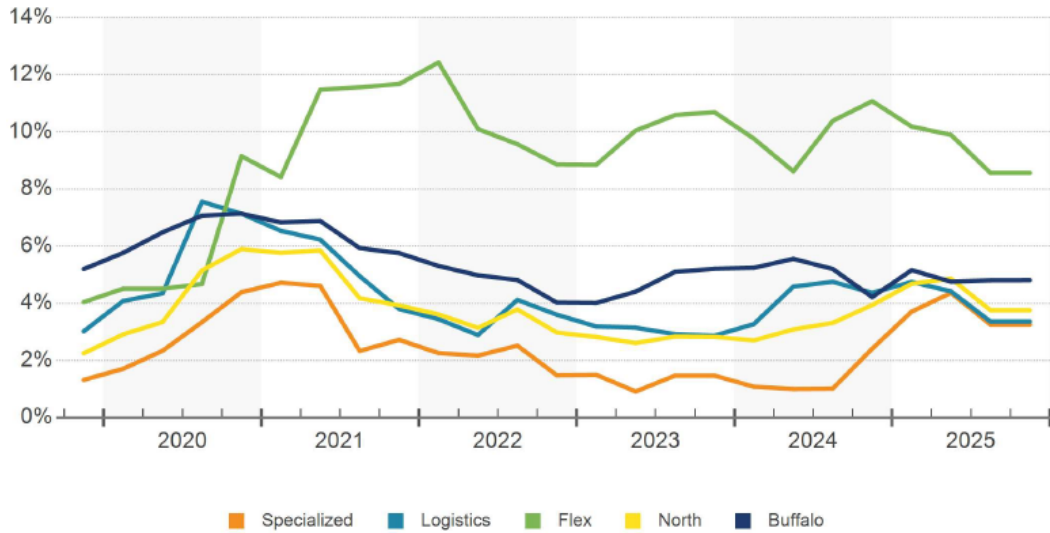
VACANCY RATE



Leasing

North Industrial

AVAILABILITY RATE

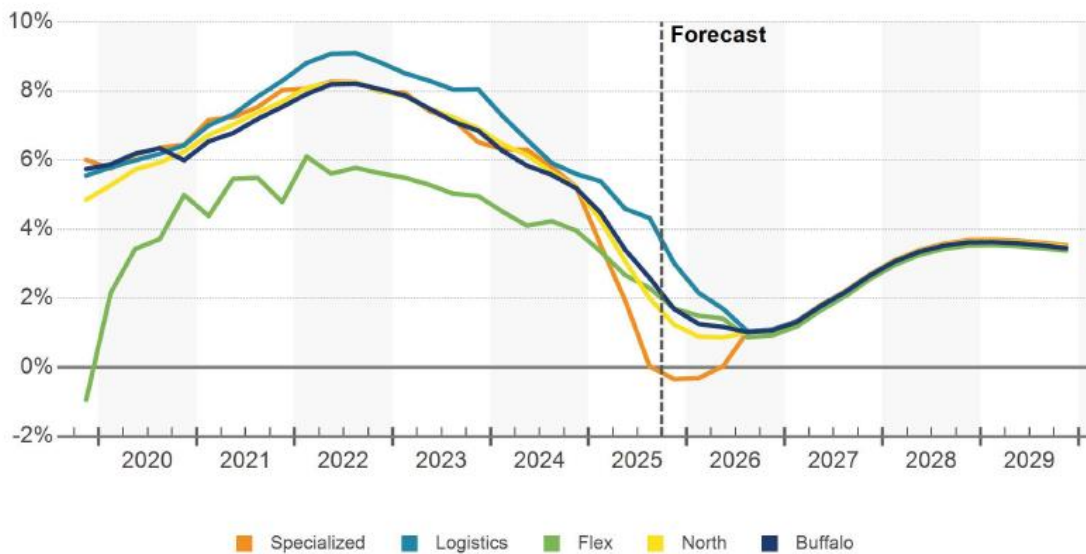


RENT TRENDS

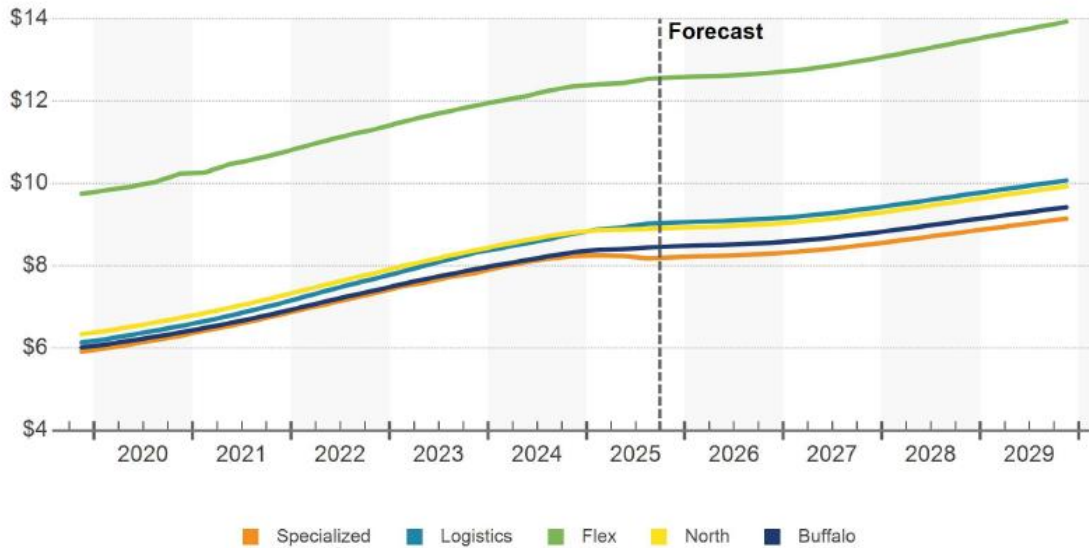
Rent

North Industrial

MARKET ASKING RENT GROWTH (YOY)



MARKET ASKING RENT PER SQUARE FEET

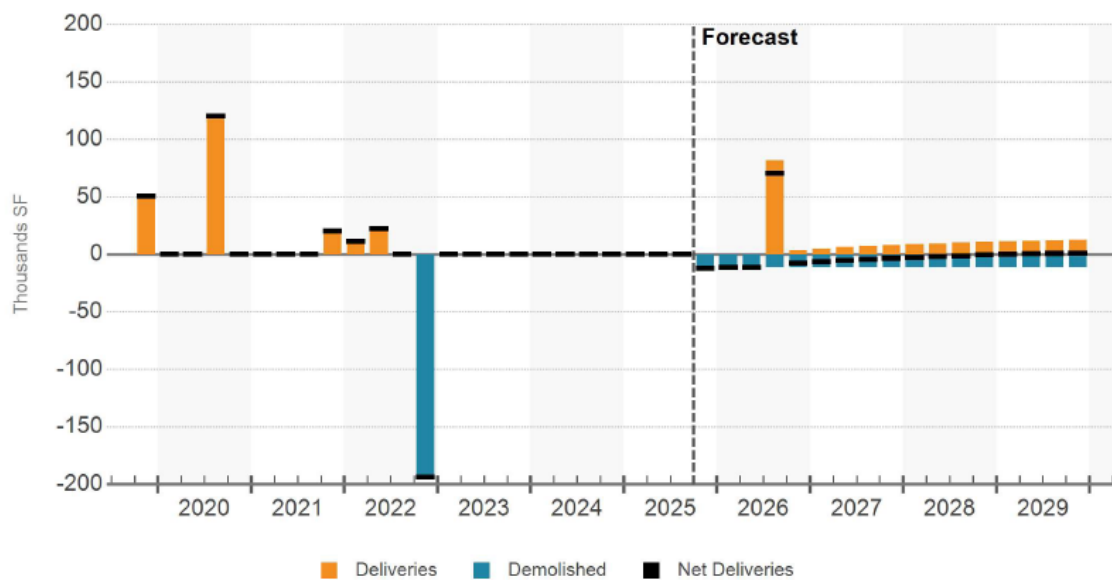


CONSTRUCTION

Construction

North Industrial

DELIVERIES & DEMOLITIONS

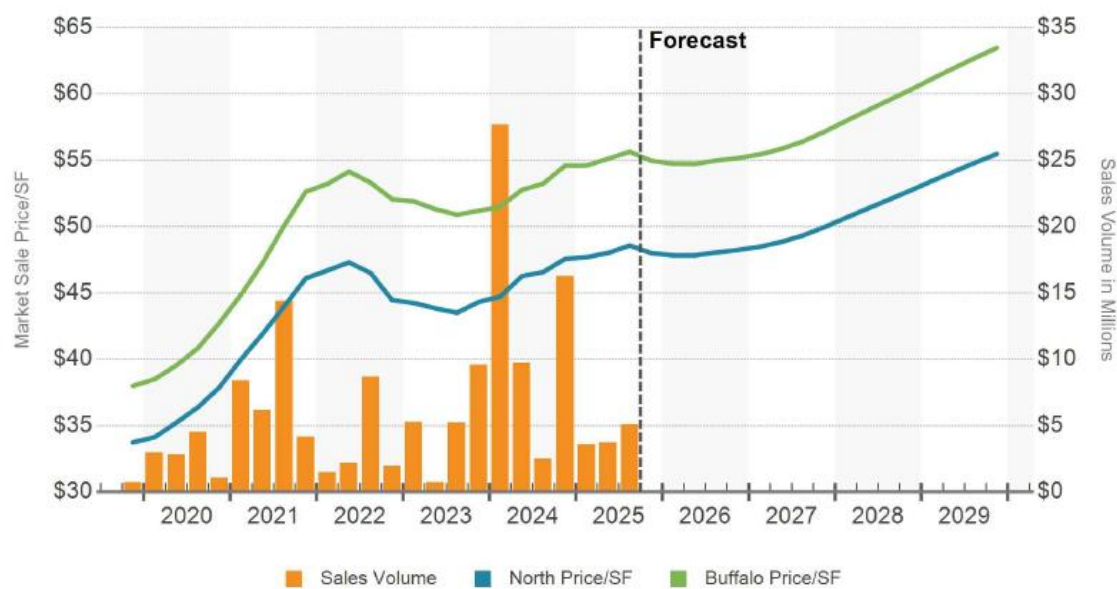


SALES ACTIVITY

“Over the past year, 24 industrial properties traded in North, accounting for 460,000 SF of inventory turnover. Industrial sales volume in North has totaled \$28.6 million over the past year. Average annual sales volume over the past five years is \$27.4 million and \$19.2 million over the past 10 years.

Estimated industrial market pricing in North is \$49.00/SF compared to the market average of \$56.00/SF. Average market pricing for North is estimated at \$50.00/SF for logistics properties, \$74.00/SF for flex assets, and \$43.00/SF for specialized buildings. The estimated market cap rate for North industrial matches the market average of 9.50%.”

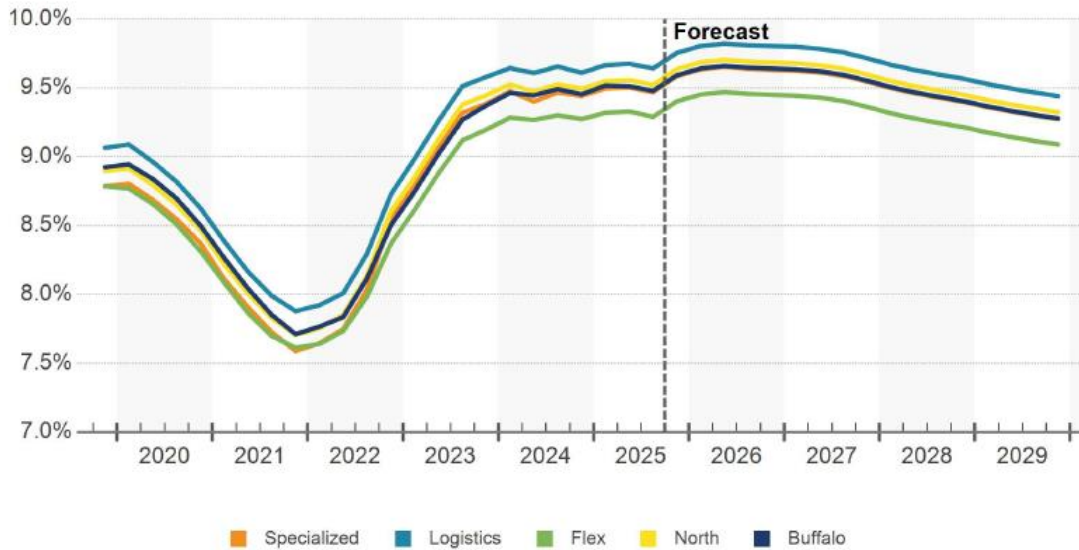
SALES VOLUME & MARKET SALE PRICE PER SF



Sales

North Industrial

MARKET CAP RATE



Section III – 10 Sheridan Drive, Tonawanda, NY 14150



10 Sheridan Drive
Tonawanda, NY
Industrial

Summary

Summary of Salient Facts

Valuation Parameters

<i>Intended Use</i>	Internal Planning
<i>Intended User</i>	Duro Tire & Wheel, Inc.
<i>Valuation Date:</i>	6/30/2025
<i>Premise of Value</i>	In Exchange
<i>Interest Appraised</i>	Fee Simple

Valuation Summary

<i>Fair Market Value</i>	\$28,150,000
<i>Percent of Total Real Property</i>	100.00%
<i>Date of Inspection</i>	9/30/2025

Subject Property

<i>Property Name</i>	Sumitomo Corporation - Tonawanda Facility
<i>Recorded Owner</i>	Sumitomo Corporation
<i>Address</i>	10 Sheridan Dr
<i>City, State</i>	Tonawanda, NY
<i>County</i>	Erie

Improvements Description

<i>Property Type:</i>	Industrial
<i>Property Type (MVS):</i>	Light Manufacturing
<i>Gross Building Area (SF)</i>	1,997,536
<i>Number of Stories</i>	1
<i>Clear Height (Ft.)</i>	18.0
<i>Perimeter (Ft.)</i>	7,500
<i>Year Built:</i>	1920
<i>Year Renovated:</i>	2022
<i>Sprinklered</i>	Yes
<i>Tenancy</i>	Owner Occupied
<i>HVAC</i>	Space Heaters
<i>Construction Type</i>	Masonry
<i>Construction Class</i>	Class C
<i>Construction Quality</i>	Low Cost

Land Description

<i>Land Size (SqFt):</i>	5,752,198
<i>Land Size (Acres):</i>	132.05

Parcel Numbers

<i>Parcel ID 1</i>	65.17-2-1.111
<i>Parcel ID 2</i>	65.17-2-1.2
<i>Parcel ID 3</i>	65.17-2-1.12
<i>Parcel ID 4</i>	65.13-3-1



10 Sheridan Drive
Tonawanda, NY
Industrial

Land Valuation

COMPARABLE LAND SALE ADJUSTMENTS	
Annual Market Condition Adjustment	2.0%
Date of Value	30-Jun-25
Show Transactional Detail	Yes
Unit of Comparison	per Acre (Net)

LAND: COMPARABLE SALE SUMMARIES AND ADJUSTMENTS						
Property Name	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5
Property Address	Sumitomo Corporation - Tonawanda Facility	Land Sale	Land Sale	Land Sale	Land Sale	Land Sale
City, State	10 Sheridan Dr Tonawanda, NY	7000 Appletree Ave Bergen, NY	26 Bailey Ave Buffalo, NY	1926 Alvin Rd Grand Island, NY	4002 River Rd Tonawanda, NY	1001 Junction Rd Lockport, NY
Date of Sale	Jun-25	Oct-24	Aug-24	Oct-22	Jun-22	For Sale
Transaction Status	--	Closed	Closed	Closed	Closed	Active Listing
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Site Size (SF)	5,752,198 SF	1,306,800 SF	2,700,720 SF	2,071,278 SF	2,178,000 SF	1,785,960 SF
Acres	132.05	30.00	62.00	47.55	50.00	41.00
Zoning (Land Use)	GI, General Industrial	Interchange, Industrial	C-R, Commercial	B1, Industrial	Industrial	Industrial
Sale Price	--	\$1,140,000	\$2,690,000	\$2,000,000	\$1,260,000	\$1,280,000
Unadjusted Price per Land Acre (Net)		\$38,000	\$43,387	\$42,061	\$25,200	\$31,220
Transactional Adjustments						
Property Rights Conveyed	Fee Simple	Similar	Similar	Similar	Similar	Similar
Adjustment		0%	0%	0%	0%	0%
Financing	Normal	Similar	Similar	Similar	Similar	Similar
Adjustment		0%	0%	0%	0%	0%
Terms/Conditions of Sale	None	Similar	Similar	Similar	Similar	Active Listing
Adjustment		0%	0%	0%	0%	-10%
Expenditures After Sale	None	Similar	Similar	Similar	Similar	Similar
Adjustment		0%	0%	0%	0%	0%
Market Conditions	Jun-25	Oct-24	Aug-24	Oct-22	Jun-22	For Sale
Adjustment		1%	2%	5%	6%	0%
Total Transactional Adjustments		1%	2%	6%	6%	-10%
Adjusted Price per Acre (Net)		\$38,380	\$44,255	\$44,164	\$26,712	\$28,098
Property Adjustments						
Location	Tonawanda, NY	Superior	Similar	Similar	Similar	Inferior
Adjustment		-5%	0%	0%	0%	5%
Site Size (AC)	132.05	Superior	Superior	Superior	Superior	Superior
Adjustment		-10%	-5%	-8%	-8%	-8%
Site Shape	Slightly Irregular	Similar	Similar	Similar	Similar	Similar
Adjustment		0%	0%	0%	0%	0%
Zoning (Land Use)	GI, General Industrial	Similar	Superior	Similar	Similar	Similar
Adjustment		0%	-5%	0%	0%	0%
Frontage	Average	Similar	Similar	Similar	Similar	Similar
Adjustment		0%	0%	0%	0%	0%
Utilities	All Utilities	Similar	Similar	Similar	Similar	Similar
Adjustment		0%	0%	0%	0%	0%
Other Factors	Rail Spurs	Inferior	Similar	Inferior	Inferior	Inferior
Adjustment		5%	0%	5%	5%	5%
Total Property Adjustments		-10%	-10%	-3%	-3%	-3%
Indication for Subject:		\$34,542	\$39,829	\$43,060	\$26,044	\$27,395

SALES SUMMARY	
	Unadjusted
Minimum	\$25,200
Maximum	\$43,387
Average	\$35,974
	Adjusted
Minimum	\$23,044
Maximum	\$43,060
Average	\$34,174

LAND SALES COMPARISON APPROACH VALUE CONCLUSION	
Indicated Value per Acre	\$32,000
Site Size (SF)	132.05
Indicated Value	\$4,225,673
Rounded to nearest \$10,000	\$4,200,000



10 Sheridan Drive
Tonawanda, NY
Industrial

Building Improvements

Cost Approach Summary

Building Number		1	
Building Type/ Name		Industrial	
Property Type (MVS)		Light Manufacturing	
MVS Construction Class		Class C	
MVS Construction Quality		Low Cost	
MVS Section		Section 14	
MVS Page		Page 14	
MVS Date		Feb-24	
Base Cost	\$	52.50	
+ HVAC Adjustment		-	
+ Sprinklers		1.86	
Adjusted Base Cost per Square Foot	\$	54.36	
Height and Size Refinements			
Number of Stories Multiplier		1.000	
Building Height Multiplier		1.086	
Perimeter Multiplier		0.841	
Adjusted Base Cost per Square Foot	\$	49.65	
Final Calculations			
Current Cost Multiplier		1.040	
Local Area Multiplier		1.110	
Adjusted Base Cost per Square Foot	\$	57.31	
Structure Size (SF)		1,997,536	1,997,536
Adjusted Cost	\$	114,487,007	
+ Indirect Costs @ 5.0%	5.0% \$	5,724,350	
Adjusted Cost	\$	120,211,357	
+ Entrepreneurial Profit @ 5.0%	5.0% \$	6,010,568	
Replacement Cost New (RCN)	\$	126,221,925	126,221,926
Total Replacement Cost New (RCN)/SF			\$63.19 / SF
Accrued Depreciation, Age-Life Analysis			
Building Number		1	
Year Built		1920	
Actual Age		105	
Percent Depreciated		80.0%	
Applied Depreciation	\$	(100,977,540)	
RCN Less Accrued Depreciation (RCNLD)	\$	25,244,385	25,244,385
- Functional Obsolescence @ 15.0%	15.0% \$	(3,786,658)	
Adjusted RCN	\$	21,457,727	
- Economic Obsolescence @ 0.0%	0.0% \$	-	
RCNLD	\$	21,457,727	
% of Total RCN		85.0%	
All Structures			
Total Replacement Cost New/SF	\$	126,221,926	\$63.19 / SF
- Total Depreciation	\$	(100,977,541)	
- Functional Obsolescence	\$	(3,786,658)	
- Economic Obsolescence	\$	-	
Total RCN Less Depreciation (RCNLD)/SF	\$	21,457,727	\$10.74 / SF
x Adjustment Factor		1.000	
Adjusted Indicated Value	\$	21,457,727	\$10.74 / SF
Value USD (Rd.)	\$	21,500,000	\$10.76 / SF

Notes:

Functional obsolescence is applied at 15.00% considering observations during site inspection of facility layout and overall usage.



10 Sheridan Drive
Tonawanda, NY
Industrial

Site Improvements

Cost Approach Summary (Site Improvements)													
Site Improvements Replacement Cost New													MVS December-23
Item	MVS	Page	Measure	Unit Type	Cost / Unit	Cost New	Current Multiplier	Local Multiplier	Combined Multiplier	Adjusted Cost New	Indirect Costs @ 5.0%	Adjusted Costs	Profit @ 5.0% RCN
Concrete Pavement	Section 66	Page 1	260,000	SF	5.95	1,547,000	1.02	0.93	0.94	1,460,722	73,036	1,533,758	76,688 1,610,446
Railroad Spurs (9 Switches)	Section 66	Page 3	7,575	LF	273.42	2,071,181	1.02	0.93	0.94	1,955,669	97,783	2,053,452	102,673 2,156,125
Surface Parking	Section 66	Page 3	1,000	EA	1,740	1,740,000	1.02	0.93	0.94	1,642,958	82,148	1,725,106	86,255 1,811,361
Landscaping	Section 66	Page 8	3,000,000	SF	3.12	9,360,000	1.02	0.93	0.94	8,837,979	441,899	9,279,878	463,994 9,743,872
Totals						14,718,181					694,866	14,592,194	729,610 15,321,803
Site Improvements Depreciation													
Item	RCN					% Depr.		Age/Life Depreciation		Adjusted Total		Functional Obsolescence RCNLD	
Concrete Pavement	1,610,446					80.0%		(1,288,356)		322,089		(48,313) 273,776	
Railroad Spurs (9 Switches)	2,156,125					80.0%		(1,724,900)		431,225		(64,684) 366,541	
Surface Parking	1,811,361					80.0%		(1,449,089)		362,272		(54,341) 307,931	
Landscaping	9,743,872					80.0%		(7,795,098)		1,948,774		(292,316) 1,656,456	
Total Site Improvements					15,321,803	(12,257,443)		3,064,361		(459,654)		\$ 2,604,707	
x Adjustment Factor												1.000	
Adjusted Indicated Value												\$ 2,604,707	
Value (Rd.)												\$ 2,600,000	
Value USD (Rd.)												\$ 2,600,000	



10 Sheridan Drive
Tonawanda, NY
Industrial

Sales Comparison Approach

COMPARABLE IMPROVED SALE ADJUSTMENTS	
Annual Market Condition Adjustment	2.00%
Date of Value	30-Jun-25
Show Transactional Detail	Yes
Unit of Comparison	per SF (Net)

COMPARABLE SALE SUMMARIES AND ADJUSTMENTS						
Property Name	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5
	Sumitomo Corporation - Tonawanda	Industrial Sale	Garden State Growers	Industrial Sale	Industrial Sale	Lordstown Motors
Property Address	10 Sheridan Dr	148 Hudson River Rd	6071 Durham Rd	5555 Rockwell Rd	2424 W 23rd St	2300 Hallock Young Rd
City, State	Tonawanda, NY	Waterford, NY	Pipersville, PA	Winchester, KY	Erie, PA	Warren, OH
Date of Sale	Jun-25	Apr-25	Jul-24	Feb-24	Dec-23	May-22
Transaction Status	--	Closed	Closed	Closed	Closed	Closed
Property Rights	Fee Simple	Fee Simple	Fee Simple	Leased Fee	Fee Simple	Leased Fee
Year Built / Renovated	1920 / 2022	1950	1980	1970	1954	1988
Building Size (SF)	1,997,536 SF	585,218 SF	561,638 SF	607,412 SF	612,345 SF	4,321,531 SF
Percentage Office	4.10%	Assumed Similar	Assumed Similar	8.10%	20.20%	Assumed Similar
Building Class	Class C, Low Cost	Class C, Average	Class S, Average	Class B, Average	Class C, Average	Class C, Average
Clear Height (Ft.)	18.0 Ft.	33'0"	20'0"	20'0"	30'0"	20'0"
Site Size (SF)	5,752,198 SF	1,200,514 SF	2,612,293 SF	1,953,666 SF	1,163,488 SF	27,878,400 SF
Site Size (AC)	132.05 AC	27.56 AC	59.97 AC	44.85 AC	26.71 AC	640.00 AC
Land to Building Ratio	2.9:1	2.1:1	4.7:1	3.2:1	1.9:1	6.5:1
Property Type	Light Manufacturing	Light Manufacturing	Light Manufacturing	Light Manufacturing	Light Manufacturing	Light Manufacturing
Unadjusted Price per SF (Net)	--	\$14.52	\$7.03	\$15.15	\$11.43	\$18.16
Transactional Adjustments						
Property Rights Conveyed	Fee Simple	Similar	Similar	Inferior	Similar	Inferior
Adjustment		0%	0%	5%	0%	5%
Financing	Normal	Similar	Similar	Similar	Similar	Similar
Adjustment		0%	0%	0%	0%	0%
Terms/Conditions of Sale	None	Similar	Similar	Similar	Similar	Similar
Adjustment		0%	0%	0%	0%	0%
Expenditures After Sale	None	Similar	Similar	Similar	Similar	Similar
Adjustment		0%	0%	0%	0%	0%
Market Conditions	Jun-25	Apr-25	Jul-24	Feb-24	Dec-23	May-22
Adjustment		0%	2%	3%	3%	0%
Total Transactional Adjustments		0%	2%	8%	3%	11%
Adjusted Price per SF (Net)		\$14.52	\$7.17	\$16.38	\$11.77	\$20.22
Property Adjustments						
Location	Tonawanda, NY	Inferior	Inferior	Similar	Similar	Similar
		10%	10%	0%	0%	0%
Building Size (SF)	1,997,536 SF	Superior	Superior	Superior	Superior	Inferior
		-5%	-5%	-5%	-5%	5%
Condition	Average	Similar	Similar	Similar	Similar	Similar
		0%	0%	0%	0%	0%
Land-To-Building Ratio	2.9:1	Similar	Superior	Similar	Inferior	Superior
		0%	-5%	0%	5%	-5%
Clear Height(s)	18.0 Ft.	Superior	Similar	Similar	Superior	Similar
		-5%	0%	0%	-5%	0%
% Office	4.10%	Inferior	Inferior	Superior	Superior	Similar
		0%	0%	-5%	-10%	0%
Property Type	Light Manufacturing	Similar	Similar	Similar	Similar	Similar
		0%	0%	0%	0%	0%
Other/Economic Conditions	Rail Spurs	Similar	Inferior	Similar	Inferior	Similar
		0%	5%	0%	5%	0%
Total Property Adjustments		0%	5%	-10%	-10%	0%
Indication for Subject:		\$14.52	\$7.53	\$14.74	\$10.60	\$20.22

SALES SUMMARY	Unadjusted	Adjusted
Minimum	\$7.03	\$7.53
Maximum	\$18.16	\$20.22
Average	\$13.26	\$13.52

SALES COMPARISON APPROACH VALUE CONCLUSION	
Indicated Value per SF	\$14.00
Building Area (SF)	x 1,997,536
Indicated Value	\$27,965,504
Rounded to nearest \$100,000	\$28,000,000

RECONCILIATION AND VALUE CONCLUSION

Reconciliation is utilized to support a reliable and defensible value opinion. The three primary criteria considered in the reconciliation of value are appropriateness, accuracy, and quantity of evidence.

All valuation approaches discussed above have been considered. GA Group has developed the cost approach and the sales comparison approach in preparation of this report. The income capitalization approach was not developed considering the owner-user nature of the Subject.

CONCLUSION OF FAIR MARKET VALUE

Based upon this analysis, the concluded Fair Market Value of the Subject is concluded to be:

Reconciliation of Value			
Approach to Value	Concluded Value		PSF
Cost Approach	\$	28,300,000	\$ 14.17
Sales Comparison Approach		28,000,000	14.02
Income Capitalization Approach		N/A	N/A
Concluded Fair Market Value	\$	28,150,000	\$ 14.09

APPENDICES

Appendix A – Certification

CERTIFICATION

I certify, except as otherwise noted in this appraisal report, that to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have not made a personal inspection of the property that is the subject of this report.
- Paul Munro, ASA has performed a site inspection of the Subject as previously indicated.
- Robert J. Meulmeester, MRICS, and Zach Blinksilver have provided significant real property appraisal assistance to the person signing this certification.
- The report analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the RICS Valuation – Professional Standards, the “Red Book”.



Neil F. Axler, MRICS
Managing Director
Eisner Advisory Group, LLC
917.648.2159
neil.axler@eisneramper.com

Appendix B – Assumptions and Limiting Conditions

This appraisal report is based on the following general assumptions:

- This report is for Client to which it is addressed and is to be used by Client only for the purpose stated in the report. No reliance is to be placed on this report for any other purpose, nor shall it be published, distributed, or shown to other parties except to the party to whom the report is addressed.
- No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the subject is assumed to be good and marketable unless otherwise stated.
- The subject is appraised free and clear of all liens and encumbrances unless otherwise stated.
- Responsible ownership and competent property management are assumed.
- The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy. We reserve the right to make appropriate revisions in the event of discovery of additional data.
- All engineering studies are assumed to be correct. The plot plans and illustrative material in this report are included only to help the reader visualize the subject.
- It is assumed that there are no hidden or unapparent conditions of the subject, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering studies that may be required to discover them.
- It is assumed that the subject is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the report.
- It is assumed that the subject conforms to all applicable zoning and use regulations and restrictions unless a nonconformity has been identified, described, and considered in the appraisal report.
- It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value opinion contained in this report is based.
- It is assumed that the use of the land and improvements is confined within the boundaries or property lines of the subject described and that there is no encroachment or trespass unless noted in this report.
- Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the subject, was not observed. We have no knowledge of the existence of such materials on or in the subject. However, we are not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, and other potentially hazardous materials may affect the value of the subject. The value opinion is predicated on the assumption that there is no such material on or in the subject that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. Client is urged to retain an expert in this field, if desired.
- The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of the property to determine whether or not it conforms to the various detailed requirements of the ADA. It is possible that a compliance survey of the subject, together with a detailed analysis of the requirements of the ADA, could reveal that the subject is not in compliance with one or more of the requirements of the ADA. If so, this fact could have a negative effect upon the value of the subject. Since we have no direct evidence relating to this issue, possible non-compliance with the requirements of the ADA is not considered in our value opinion of the subject.
- This report covers only the real property described herein. Unless specifically stated to the contrary, it does not include consideration of mineral rights or related right of entry, nor personal property or the removal thereof. Values reported herein are not intended to be valid in any other context, nor are any conclusions as to unit values applicable to any other property or utilization that are specifically identified herein.

- The conclusions stated herein, including values that are expressed in terms of the U.S. Dollar, apply only as of the valuation date, and are based on prevailing physical and economic conditions and available information at that time. No representation is made as to the effect of subsequent events.

This appraisal report is based on the following general limiting conditions:

- Date(s) and definitions of value, together with other definitions and assumptions on which the analyses are based, are set forth in the appropriate sections of this report. These are to be considered part of the limiting conditions as if included here in their entirety.
- Any allocation of the total value presented in this report between the land and improvements applies only under the stated program of utilization. The separate values allocated to the land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
- Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any other person than the party to whom it is addressed without our prior written consent, and then only with proper written qualification and only in its entirety.
- We, by reason of this report, are not required to give further consultation or testimony or to be in attendance in court with reference to the subject unless arrangements have been previously made.
- This report has not been prepared for syndication purposes nor is it to be used for syndication purposes without our consent and then only with proper qualifications.
- Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.
- Any value opinions provided in this report apply to the entire property and any proration or division of the total into fractional interests will invalidate the value opinions, unless such proration or division of interests has been set forth in the report.
- If the subject is proposed, only preliminary plans and specifications were available for use in the preparation of this appraisal. If the plans and specifications change, we reserve the right to amend this appraisal.
- Any proposed improvements are assumed to have been completed unless otherwise stipulated; any construction is assumed to conform to the building plans referenced in the report.
- We assume that the reader or user of this report has been provided with copies of available building plans and all leases and amendments, if any, that encumber the subject.
- If no legal description or survey was furnished, we used other methods as described in the report to ascertain the physical dimensions and acreage of the subject. Should a survey prove this information to be inaccurate, it may be necessary for this appraisal to be adjusted.
- The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changing future economic conditions.

Appendix C – Appraisal Definitions

The following definition is taken from Financial Institutions Reform, Recovery and Enforcement Act (“FIRREA”) Regulations, per final rule, 12 CFR Part 34, (Docket No. 90-16), Federal Register, Volume 56 Number 165, March 31, 1994, effective June 7, 1994, Rules & Regulations.

- Market Value: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and passing of title from seller to buyer under conditions whereby:
 1. Buyer and seller are typically motivated;
 2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
 3. A reasonable time is allowed for exposure in the open market;
 4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
 5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

The following definition is taken from Treas. Regs. §20.2031-1(b) and §25.2512-1; Rev. Rul. 59-60, 1959-1 C.B. 237:

- Fair Market Value: The price at which a property would exchange between a willing buyer and a willing seller, when the former is not under any compulsion to buy, and the latter is not under any compulsion to sell, both having reasonable knowledge of the relevant facts.

The following definitions are taken from *The Dictionary of Real Property Appraisal, Sixth Edition (2015)*, published by the Appraisal Institute.

- Appraisal Report (listed in dictionary as report): (1) The final communication, written or oral, of an appraisal transmitted to the client. Finality is evidenced by the presence of the valuer’s signature in a written report or a statement of finality in an oral report. All communications to the client prior to the final communication must be conspicuously designated as such. (SVE, CPE) (2) Any communication, written or oral, of an appraisal or appraisal review that is transmitted to the client upon completion of an assignment. Comment: Most reports are written, and most clients mandate written reports. Oral report requirements (see the Record Keeping Rule) are included to cover court testimony and other oral communications of an appraisal or appraisal review. (USPAP, 2016-2017 ed.)
- Cash-Equivalent Price: The price of a property with nonmarket financing expressed as the price that would have been paid in an all-cash sale.
- Contract Rent: The actual rental income specified in a lease.
- Cost Approach: A set of procedures through which a value indication is derived for the fee simple estate by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive or profit; deducting depreciation from the total cost; and adding the estimated land value. Adjustments may then be made to the indicated value of the fee simple estate in the subject property to reflect the value of the property interest being appraised.
- Deferred Maintenance: Items of wear and tear on a property that should be fixed now to protect the value or income-producing ability of the property, such as a broken window, a dead tree, a leak in the roof, or a faulty roof that must be completely replaced. These items are almost always curable.
- Direct Capitalization: A method used to convert an estimate of a single year’s income expectancy into an indication of value in one direct step, either by dividing the net income estimate by an appropriate capitalization rate or by multiplying the income estimate by an appropriate factor. Direct capitalization employs capitalization rates and

multipliers extracted or developed from market data. Only a single year's income is used. Yield and value changes are implied, but not explicitly identified.

- Discounted Cash Flow (DCF) Analysis: The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams and the quantity and timing of the reversion, and discounts each to its present value at a specified yield rate.
- Disposition Value: See Liquidation Value.
- Distress Sale: A sale involving a seller acting under undue duress.
- External Obsolescence: A type of depreciation; a diminution in value caused by negative external influences and generally incurable on the part of the owner, landlord, or tenant. The external influence may be either temporary or permanent.
- Extraordinary Assumption: An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. Comment: Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2016-2017 ed.)
- Fee Simple Estate: Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.
- Functional Obsolescence: The impairment of functional capacity of improvements according to market tastes and standards.
- Going-Concern Value: An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern* or *market value of the total assets of the business*.
- Gross Lease: A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called *full-service lease*.
- Highest and Best Use: The reasonably probable use of property that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
- Hypothetical Condition: A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis. Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2016-2017 ed.)
- Income Capitalization Approach: Specific appraisal techniques that are applied to develop a value indication for a property based on its earning capability and calculated by the capitalization of property income.
- Insurable Value: A type of value for insurance purposes.
- Leased Fee Interest: The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.
- Leasehold Interest: The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.
- Liquidation Value: The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can be modified to provide for valuation with specified financing terms.

- Market Rent: The most probable rent that a property should bring in a competitive and open market reflecting the conditions and restrictions of a specified lease agreement, including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).
- Personal Property: (1) The interests, benefits, and rights inherent in the ownership of tangible objects that are considered by the public as being personal; also called *tangible personal property*. (2) Identifiable tangible objects that are considered by the general public as being “personal”—for example, furnishings, artwork, antiques, gems and jewelry, collectibles, machinery, and equipment; all tangible property that is not classified as real estate. (USPAP, 2016-2017 ed.)
- Physical Deterioration: The wear and tear that begins when a building is completed and placed into service.
- Real Property: (1) An interest or interests in real estate. (2) The interests, benefits, and rights inherent in the ownership of real estate. Comment: In some jurisdictions, the terms *real estate* and *real property* have the same legal meaning. The separate definitions recognize the traditional distinction between the two concepts in appraisal theory. (USPAP, 2016-2017 ed.)
- Real Property (as listed in the IVS Glossary): All rights, interests, and benefits related to the ownership of real estate.
- Restricted Appraisal Report: A written report prepared under Standards Rule 2-2(b), 8-2(b), or 10-2(b) of the Uniform Standards of Professional Appraisal Practice (2016-2017 ed.).
- Sales Comparison Approach: The process of deriving a value indication for the subject property by comparing sales of similar property with the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable property based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved property, vacant land, or land being considered as though vacant when an adequate supply of comparable sales is available.
- Triple Net Lease (listed in dictionary as net net net lease): An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called *NNN lease*, *triple net lease* or *fully net lease*.
- Vacancy and Collection Loss: A deduction from potential gross income (PGI) made to reflect income reductions due to vacancies, tenant turnover, and nonpayment of rent; also called vacancy and credit loss or vacancy and contingency loss.

Appendix D – Statement of Qualifications

QUALIFICATIONS



Neil F. Axler, MRICS

Neil F. Axler is a Managing Director at Eisner Advisory Group LLC in the Forensic, Litigation and Valuation Services Group. He has more than two decades of valuation consulting experience in individual assets and portfolios of income-producing commercial and industrial properties.

Mr. Axler has inspected and managed assignments in most metropolitan areas in the U.S. and the U.S. Territories. His international experience included appraising numerous commercial property types in China, France, England, Ireland, Netherlands, Italy, Hungary, Austria, Ukraine, Denmark, British Virgin Islands, Cayman Islands, Australia, Venezuela, Canada, and Mexico. His collateral experience includes transaction advisory, acquisition and financing due diligence, land use and marketability studies, appraisal review and concurrence, and project feasibility.

Additionally, Mr. Axler has focused on federal government consulting and has first-hand knowledge of the economic, financial and market factors that drive the development of public real estate policy.

PROFESSIONAL MEMBERSHIPS

- Royal Institution of Chartered Surveyors (MRICS)
- RICS Americas Board of Directors
- National Association of Real Estate Investment Trusts
- International Council of Shopping Centers
- Turnaround Management Association
- American Bankruptcy Institute, Real Estate and Healthcare Committees
- New York Institute of Credit
- Urban Land Institute, Associate Member
- Federal Real Property Association
- New York City Estate Planning Council
- Philadelphia Estate Planning Council, Ethics Committee

PREVIOUS EXPERIENCE

Prior to joining Eisner Advisory Group LLC, Mr. Axler was a Managing Director at GA Group leading real estate valuations nationwide and internationally based in New York City. His background also includes real estate leadership positions at Stout, RSM US, Deloitte, and Arthur Andersen.

EDUCATION

Neil earned his Bachelor of Science in Communications Clarion University of Pennsylvania.

Hwa Fong Rubber Ind. Co., Ltd.

Rules of Procedure for Shareholders Meetings

Article 1: To establish a sound shareholder meeting governance system, enhance supervisory functions, and strengthen management capabilities within our company, these rules are formulated in accordance with Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies for compliance. Unless otherwise specified by laws or the company's articles of association, the proceedings of the company's shareholder meetings shall be governed by these rules.

Article 2: The company's shareholder meetings shall be convened by the board of directors unless otherwise specified by law.

When the company convenes a shareholder meeting via video conference, except where otherwise stipulated by the Guidelines for Handling Corporate Stock Affairs of Publicly Issued Companies, it shall be clearly stated in the articles of association, resolved by the board of directors, and the decision to hold a video conference shall be implemented upon the attendance of two-thirds or more of the directors and the consent of more than half of the attending directors. Any change in the method of convening the company's shareholder meetings shall be resolved by the board of directors and shall be made no later than the dispatch of the meeting notice.

The company shall transmit electronically the meeting notice, appointment forms, relevant recognition cases, discussion items, election or removal of directors and supervisors, and other agenda items and explanatory materials to the Public Information Observation System thirty days prior to the regular shareholder meeting or fifteen days prior to the special shareholder meeting. The company shall also transmit electronically the meeting manual and supplementary meeting materials to the MOPS twenty-one days prior to the regular shareholder meeting or fifteen days prior to the special shareholder meeting. However, if the company's paid-in capital reached or exceeded NT\$2 billion at the end of the most recent fiscal year, or if at the end of the most recent fiscal year, the total foreign and mainland Chinese shareholding ratio listed in the shareholder registry exceeded thirty percent, the company shall complete the transmission of the aforementioned electronic files thirty days prior to the regular shareholder meeting. Fifteen days before the shareholder meeting, the company shall have the meeting manual and supplementary meeting materials available for shareholders' perusal, and these materials shall be made available for inspection at the company's premises and at any professional shareholder service agency appointed by the company. The aforementioned meeting manual and supplementary meeting materials shall be made available to shareholders for inspection in the following ways on the day of the shareholder meeting: (1) If a physical shareholder meeting is convened, the materials shall be distributed at the meeting venue. (2) If a video-assisted shareholder meeting is convened, the materials shall be distributed at the meeting venue and transmitted electronically to the video conferencing platform. (3) If a video shareholder meeting is convened, the materials shall be transmitted electronically to the video conferencing platform. Notices and announcements shall specify the purpose of the meeting; electronic notices may be issued with the consent of the recipients. Election or removal of directors, supervisors, amendment of the articles of association, reduction of capital, application for cessation of public offering, director non-compete permits, surplus capital increase, capital reserve increase, company dissolution, merger, division, or

matters specified in Article 185, Paragraph 1, Subparagraphs 1 to 4 of the Company Act, Article 26-1 and Article 43-6 of the Securities Exchange Act, Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, shall be listed and the main content shall be explained in the meeting notice. These matters shall not be raised as ad hoc motions. The purposes of the shareholder meeting have been clearly stated as a comprehensive re-election of directors and supervisors, including the date of assumption of office. After the re-election is completed at the shareholder meeting, the date of assumption of office shall not be changed at the same meeting through ad hoc motions or other means. Shareholders holding more than one percent of the total issued shares may propose items for discussion at each shareholder meeting, with a limit of one proposal per shareholder. If multiple proposals are submitted, none shall be included in the agenda. In addition, if any of the proposals made by the shareholders fall under any of the circumstances specified in Article 172-1, Paragraph 4 of the Company Act, the board of directors may exclude them from the agenda. Shareholders may also propose advisory proposals to urge the company to enhance public interest or fulfill social responsibilities, with a limit of one proposal per shareholder. The procedural requirements for such proposals shall be in accordance with the relevant provisions of Article 172-1 of the Company Act, with a limit of one proposal per shareholder. If multiple proposals are submitted, none shall be included in the agenda.

The company shall announce the acceptance of shareholder proposals, the methods of written or electronic submission, the locations and periods of acceptance, no later than the record date prior to the shareholder meeting. The acceptance period shall not be less than ten days. Shareholder proposals shall be limited to three hundred words. Proposals exceeding three hundred words shall not be included in the agenda. Shareholders proposing items shall attend the shareholder meeting in person or authorize others to attend on their behalf and participate in the discussion of the item.

The company shall notify the proposing shareholders of the handling results before the date of the shareholder meeting and include the proposals that comply with the provisions of this article in the meeting notice. The board of directors shall explain the reasons for not including the proposals not listed in the agenda at the shareholder meeting.

Article 3: Shareholders may issue a proxy issued by the company at each shareholder meeting, specifying the scope of authorization and the authorized representative, to attend the shareholder meeting. Each shareholder may issue only one proxy and appoint only one person as the proxy, and the proxy shall be delivered to the company five days before the shareholder meeting. In case of duplicate proxies, the one delivered first shall prevail. However, this limit does not apply to the revocation of proxies previously declared. After the proxy is delivered to the company, if the shareholder wishes to attend the shareholder meeting in person or exercise voting rights in writing or electronically, a written notice to revoke the proxy shall be sent to the company two days before the shareholder meeting. The vote exercised by the proxy shall prevail if the revocation is overdue.

After the proxy is delivered to the company, if the shareholder wishes to attend the shareholder meeting via video conference, a written notice to revoke the proxy shall be sent to the company two days before the shareholder meeting. The vote exercised by the proxy shall prevail if the revocation is overdue.

Article 4: The location of the company's shareholder meetings shall be determined based on the convenience of shareholders' attendance and suitability for holding the meeting and shall be located at the company's premises or other convenient locations. The meeting start time shall not be earlier than 9:00 a.m. or later than 3:00 p.m., and the meeting location and time shall take into full consideration the opinions of independent directors.

When the company convenes a video shareholder meeting, it shall not be subject to the restrictions on the location specified in the preceding paragraph.

Article 5: The company shall specify in the meeting notice the reporting time, reporting location for attending shareholders, nominees, and appointed proxies (hereinafter referred to as "shareholders"), and other matters to be noted.

The reporting time for shareholders in the preceding paragraph shall be at least thirty minutes before the meeting begins, and the reporting location shall be clearly marked with designated personnel to handle it. For video conference shareholder meetings, shareholders who wish to attend via video conference shall report to the video conference platform at least thirty minutes before the meeting begins. Shareholders who have reported on time shall be considered as personally attending the shareholder meeting. Shareholders shall attend the shareholder meeting with an attendance certificate, attendance sign-in card, or other attendance documents. The company shall not arbitrarily increase the requirements for other proof documents based on the documents relied upon by shareholders for attendance. Nominees for proxies shall also carry identification documents for verification.

The company shall provide a sign-in book for shareholders to sign in or accept sign-in cards from attending shareholders for proxy signing. The company shall provide the meeting manual, annual report, attendance certificate, speech slips, voting cards, and other meeting materials to attending shareholders. If there is an election of directors or supervisors, separate voting slips shall be provided.

When the government or a legal entity is a shareholder, the representative attending the shareholder meeting is not limited to one person.

When a legal entity is entrusted to attend the shareholder meeting, only one person shall be designated to represent it.

When a shareholder meeting is convened via video conference, shareholders who wish to attend via video conference shall register with the company at least two days before the shareholder meeting.

Article 5-1: When the company convenes a video conference shareholder meeting, the following matters shall be specified in the meeting notice:

I. Methods for shareholders to participate in the video conference and exercise their rights.

II. Measures to be taken in case of obstacles to participating in or participating in the video conference due to natural disasters, emergencies, or other force majeure circumstances. These measures shall include at least the following:

(1) If the aforementioned obstacles persist and cannot be resolved, resulting in the need to postpone or continue the meeting, the date for postponement or continuation of the meeting shall be stated, as well as the date for resuming the meeting if postponed or continued.

(2) Shareholders who did not register to participate in the original video conference may not participate in the postponed or continued meeting.

(3) If a video-assisted shareholder meeting cannot continue as a video conference, and after deducting the attendance of shareholders participating via video conference, the total shares represented at the meeting still reach the statutory quorum for convening the meeting, the meeting shall proceed, and the shareholders participating via video conference shall be counted towards the total shares represented at the meeting, and they shall be deemed to have abstained from voting on all agenda items at the meeting.

(4) Procedures for cases where all agenda items have been announced and no ad hoc motions have been made.

III. When convening a video conference shareholder meeting, appropriate alternative measures provided to shareholders who have difficulties participating via video

conference shall be specified. Except for the circumstances specified in Article 44-9, Paragraph 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, at least communication equipment and necessary assistance shall be provided, and shareholders shall be informed of the application period and other relevant matters that need attention.

Article 6: If the shareholder meeting is convened by the board of directors, the chairman shall be the chairman of the board. In the absence or inability to perform duties of the chairman, the vice chairman shall act as the chairman. If there is no vice chairman or the vice chairman is absent or unable to perform duties, the chairman shall appoint one executive director to act as the chairman. If there are no executive directors, one director shall be appointed, and if the chairman does not designate a proxy, one executive director or director shall be designated by mutual recommendation.

The chairman appointed as mentioned above should be an executive director or director who has served for more than six months and understands the financial and business conditions of the company. The same applies if the chairman is the representative of a corporate director. If the shareholder meeting is convened by the board of directors, it should be presided over by the chairman, and at least more than half of the directors of the board and at least one representative from each functional committee should attend, and the attendance should be recorded in the minutes of the shareholder meeting.

If the shareholder meeting is convened by a person other than the board of directors with the right to convene, the chairman shall be appointed by that person. If there are more than two persons with the right to convene, they shall appoint one chairman by mutual recommendation.

The company may appoint the appointed lawyer, accountant, or relevant personnel to attend the shareholder meeting.

Article 7: The company shall continuously record and videotape the entire process of shareholder registration, meeting proceedings, and vote counting from the time of shareholder registration acceptance.

The audiovisual materials mentioned above shall be kept for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Act, they shall be kept until the end of the lawsuit.

If the shareholder meeting is held via video conference, the company shall record and save the registration, registration, check-in, questioning, voting, and company voting results of the shareholders, and record and videotape the entire process of the video conference.

The company shall properly keep the above-mentioned data and audiovisual recordings during the retention period and provide the audiovisual recordings to the entrusted personnel responsible for handling video conference affairs.

If the shareholder meeting is held via video conference, the company should record and videotape the operation interface of the video conference platform.

Article 8: The attendance of the shareholder meeting shall be based on the number of shares. The number of attending shares shall be calculated based on the signature book or the attendance card submitted, and the number of shares exercised by written or electronic voting shall be counted.

Once the meeting time has arrived, the chairman shall announce the commencement of the meeting and simultaneously announce relevant information such as the number of votes without voting rights and the total shares attended.

However, if less than half of the total issued shares are represented by attending shareholders, the chairman may announce a postponement of the meeting. The meeting may be postponed up to two times, with a total postponement time not exceeding one hour. If even after two postponements, there are still not enough attending shareholders representing one-third of the total issued shares, the chairman may announce the

adjournment of the meeting. If the shareholder meeting is held via video conference, the company shall also announce the adjournment of the meeting on the shareholder meeting video conference platform.

If even after two postponements, there are still not enough attending shareholders representing one-third of the total issued shares, a false resolution may be made in accordance with Article 175, Paragraph 1 of the Company Act, and the false resolution shall be notified to the shareholders for another shareholder meeting within one month. If the shareholder meeting is held via video conference and shareholders wish to attend via video, they shall re-register with the company in accordance with Article 6.

Before the end of the meeting, if the attending shareholders represent more than half of the total issued shares, the chairman may resubmit the false resolution made according to Article 174 of the Company Act for voting.

Article 9: If the shareholder meeting is convened by the board of directors, the agenda shall be determined by the board of directors, and all related proposals (including ad hoc motions and amendments to original proposals) shall be voted on individually. The meeting shall proceed according to the scheduled agenda, and changes shall not be made without the resolution of the shareholder meeting.

If the shareholder meeting is convened by a person other than the board of directors with the right to convene, the provisions of the preceding paragraph shall apply.

Before the conclusion of the agenda items (including ad hoc motions), the chairman shall not adjourn the meeting without a resolution. If the chairman violates the rules of procedure and adjourns the meeting, with the consent of more than half of the voting rights of the attending shareholders, a new chairman may be elected to continue the meeting.

The chairman should provide ample explanation and discussion opportunities for proposals or amendments made by shareholders or ad hoc motions. When it is deemed that a sufficient level of discussion has been reached, the chairman may announce the cessation of discussion and proceed to the vote, arranging adequate voting time.

Article 10: Before speaking at the shareholder meeting, attendees must fill out a speaking slip indicating the purpose of the speech, shareholder account number (or attendance certificate number), and account name, and the chairman shall determine the order of speaking.

Attendees who only submit speaking slips without speaking shall be considered as not having spoken. If the content of the speech does not match For the same agenda item, each shareholder may speak no more than twice with the consent of the chairman, and each time may not exceed five minutes. However, the chairman may prohibit a shareholder from speaking if the speech violates the regulations or exceeds the scope of the agenda.

While a shareholder is speaking, other shareholders shall not speak or disrupt without the consent of the chairman and the speaking shareholder, and the chairman shall intervene if there is a violation.

When a corporate shareholder appoints more than two representatives to attend the shareholder meeting, only one person may speak on the same agenda item. After the shareholder has spoken, the chairman or designated personnel may respond.

For shareholders participating via video conference, they may submit questions in writing on the video conference platform from the commencement of the meeting by the chairman until the adjournment of the meeting, with each agenda item limited to two questions, each limited to two hundred words, and not subject to the provisions of paragraphs one to five.

Questions that do not violate the regulations or exceed the scope of the agenda shall be disclosed on the video conference platform for the shareholders' knowledge.

Article 11: Voting at the shareholder meeting shall be based on the number of shares.

The resolution of the shareholder meeting shall not include the number of shares of shareholders without voting rights.

When shareholders have a conflict of interest with respect to matters at the meeting that may harm the interests of the company, they may not participate in the vote, nor may they act as proxies for other shareholders to exercise their voting rights.

The shares for which voting rights cannot be exercised shall not be counted in the voting rights of the attending shareholders.

Except for trust enterprises or securities agencies approved by the competent authority, when one person simultaneously represents two or more shareholders, the voting rights of the proxy shall not exceed three percent of the voting rights of the total issued shares, and if exceeded, the excess voting rights shall not be counted.

Article 12: Each shareholder shall have one voting right per share; provided, however, that those subject to restrictions or without voting rights as listed in Article 179, Paragraph 2 of the Company Act shall not be subject to this restriction.

When the Company convenes a shareholder meeting, electronic means may be used and written means may be adopted to exercise voting rights; when exercising voting rights in writing or electronically, the method of exercise shall be specified in the notice of the shareholder meeting. Shareholders exercising voting rights in writing or electronically shall be deemed to have attended the shareholder meeting in person. However, with regard to temporary motions and amendments to original proposals at the shareholder meeting, they shall be deemed to have abstained, so the Company should avoid proposing temporary motions and amendments to original proposals.

Shareholders exercising voting rights in writing or electronically shall deliver their expressions of intent to the Company two days before the shareholder meeting. In the event of duplicate expressions of intent, the one received first shall prevail. However, this limit shall not apply to declarations revoking prior expressions of intent.

After exercising voting rights in writing or electronically, if a shareholder wishes to attend the shareholder meeting in person or via video conference, the shareholder shall revoke the expression of intent to exercise voting rights in the same manner as exercised before the shareholder meeting two days before the meeting. If revoked after the deadline, the voting rights exercised in writing or electronically shall prevail. If a shareholder exercise voting rights in writing or electronically and appoints a proxy to attend the shareholder meeting, the voting rights exercised by the proxy attending the meeting shall prevail.

Unless otherwise provided by the Company Law and the Articles of Incorporation, resolutions of the shareholder meeting shall be passed with the consent of more than half of the voting rights of the shareholders present. At the time of voting, the total voting rights of the attending shareholders shall be announced by the chairperson or the person designated by the chairperson, and the shareholders shall vote on each item in turn. The results of shareholders' agreement, objection, and abstention shall be entered into the Public Information Observation Platform on the day of the shareholder meeting. When there are amendments or alternative proposals to a motion, the chairperson shall determine the order of voting together with the original motion. If one of the proposals has already been passed, the other proposals shall be deemed rejected and shall not be voted on again.

The supervisors and vote counters for voting on resolutions shall be designated by the chairperson, but the supervisors shall have shareholder status. The vote counting for resolutions or election proposals of the shareholder meeting shall be conducted openly within the shareholder meeting venue, and the results of the vote shall be announced on the spot after the counting is completed, including the statistical number of votes, and a record shall be made.

When the Company convenes a virtual shareholder meeting, shareholders participating via video conference shall conduct voting on various agenda items and election proposals through the video conference platform, and the voting shall be completed before the chairperson announces the end of the voting. Failure to vote on time shall be considered abstention.

When a virtual shareholder meeting is convened, the voting shall be conducted once the chairperson announces the end of the voting, and the voting and election results shall be announced.

When the Company convenes a virtual shareholder meeting, shareholders who have registered to attend the shareholder meeting via video conference in accordance with Article 6 and wish to attend the physical shareholder meeting in person shall revoke their registration in the same manner as the registration two days before the shareholder meeting; if the revocation is made after the deadline, they may only attend the shareholder meeting via video conference.

Shareholders who have exercised voting rights in writing or electronically and participate in the shareholder meeting via video conference shall not exercise voting rights on the original proposals or amendments to the original proposals or exercise voting rights on the original proposals or amendments to the original proposals unless they violate the rules of procedure.

Article 13: When electing directors at a shareholder meeting, the relevant selection rules established by the Company shall be followed, and the election results shall be announced on the spot, including the list of elected directors, their voting rights, the list of unsuccessful candidates, and their voting rights.

The election ballots for the election items shall be sealed and signed by the vote counters and properly kept, and shall be kept for at least one year. However, if a lawsuit is filed by shareholders pursuant to Article 189 of the Company Law, they shall be kept until the conclusion of the lawsuit.

Article 14: Resolutions of the shareholder meeting shall be recorded in minutes, signed or sealed by the chairperson, and distributed to each shareholder within twenty days after the meeting. The preparation and distribution of the minutes may be done electronically.

The distribution of the minutes as mentioned in the preceding paragraph may be made by public announcement through the MOPS.

The minutes shall accurately record the year, month, day, venue, name of the chairperson, method of decision-making, main points of the proceedings, and the results of the vote (including the statistical number of votes). In the Company's duration, they shall be permanently preserved.

When a virtual shareholder meeting is convened, the minutes shall include the opening and closing time of the shareholder meeting, the method of convening the meeting, the name of the chairperson and recorder, and the handling method and situation in case of obstacles to the video conference platform or participation via video conference due to natural disasters, emergencies, or other force majeure circumstances.

When the Company convenes a virtual shareholder meeting, in addition to complying with the provisions of the preceding paragraph, alternative measures provided by shareholders who have difficulty participating in the shareholder meeting via video conference shall be specified in the minutes.

Article 15: On the day of the shareholder meeting, the Company shall compile a statistical table in the prescribed format showing the number of shares solicited by solicitors, represented by proxy agents, and attended by shareholders in writing or electronically, and shall clearly display it at the shareholder meeting venue; when a shareholder meeting is convened via video conference, the Company shall upload the above data to the video conference platform at least thirty minutes before the meeting begins and continue to disclose it until the meeting ends. When the chairman announces the opening of the

meeting, the total number of shares held by attending shareholders shall be disclosed on the video conference platform. If there are additional statistics on the total shares held by attending shareholders and the total voting rights during the meeting, the same shall apply.

For resolutions of the shareholder meeting that constitute material information as defined by laws and regulations or the Taiwan Stock Exchange Corporation, the Company shall transmit the content to the Public Information Observation Platform within the prescribed time.

Article 16: The personnel handling the affairs of the shareholder meeting shall wear identification cards or armbands.

The chairperson may instruct inspectors (or security personnel) to assist in maintaining order at the venue. When inspectors (or security personnel) are present to assist in maintaining order, they shall wear armbands or identification cards with the words "inspector."

If there is a public address system at the venue, the chairperson may prohibit shareholders from speaking using equipment not provided by the Company. Shareholders who violate the rules of procedure, do not comply with the chairperson's instructions, and obstruct the progress of the meeting may be asked to leave the venue by the chairperson instructing the inspectors (or security personnel).

Article 17: During the meeting, the chairperson may announce a break at their discretion, and in the event of force majeure, the chairperson may temporarily suspend the meeting and announce the resumption time as appropriate.

If the agenda scheduled for the shareholder meeting is not completed before the end of the proceedings (including temporary motions), and the venue cannot continue to be used, the shareholder meeting may resolve to find an alternative venue to continue the meeting.

The shareholder meeting may, in accordance with Article 182 of the Company Act, resolve to postpone or continue the meeting within five days.

Article 18: When a shareholder meeting is convened via video conference, the Company shall immediately disclose the voting results and election results of various agenda items on the video conference platform after the voting ends, and shall continue to disclose them for at least fifteen minutes after the chairman announces the adjournment.

Article 19: When the Company convenes a virtual shareholder meeting, the chairperson and recorders shall be at the same location in Taiwan, and the chairperson shall announce the address of the location at the opening of the meeting.

Article 20: When a shareholder meeting is convened via video conference, the Company may provide a simple connection test for shareholders before the meeting and provide relevant services in real-time before and during the meeting to assist in handling technical communication issues.

When a shareholder meeting is convened via video conference, the chairperson shall announce separately at the opening of the meeting, except for situations specified in Article 44-2, Paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies where there is no need to postpone or continue the meeting, that if the video conference platform or participation via video conference is obstructed due to natural disasters, emergencies, or other force majeure circumstances and persists for more than thirty minutes before the chairman announces the adjournment, the meeting date shall be postponed or continued within five days, and the provisions of Article 182 of the Company Act shall not apply.

Shareholders who were not registered to participate in the original shareholder meeting via video conference shall not participate in the postponed or continued meeting.

For shareholders who have completed registration to participate in the original shareholder meeting via video conference and have checked in but did not participate

in the postponed or continued meeting, their shares, voting rights, and election rights attended at the original shareholder meeting shall be included in the total shares, voting rights, and election rights of the shareholders attending the postponed or continued meeting.

When handling a postponed or continued meeting of the shareholder meeting in accordance with the provisions of the second paragraph, there is no need to reconsider and resolve the items for which voting has been completed, and the results of the vote or the list of elected directors and supervisors need not be discussed and resolved again.

When the Company convenes a shareholder meeting with video assistance, if the video conference cannot continue in accordance with the second paragraph, and the total shares attended by shareholders still meet the statutory quorum for convening the shareholder meeting after deducting the shares attended via video conference, the shareholder meeting shall continue without postponing or continuing the meeting in accordance with the provisions of the second paragraph.

In the event of circumstances where the meeting should continue, shareholders who participate via video conference shall have their attendance counted in the total shares of attending shareholders, but they shall be deemed to have abstained from voting on all items of the shareholder meeting.

When the Company postpones or continues a meeting in accordance with the provisions of the second paragraph, it shall carry out the relevant preparatory work in accordance with the original shareholder meeting date and the provisions of Article 44-20, Paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

During the periods specified in the latter part of Paragraph 12 and Paragraph 13 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies and Article 44-5, Paragraph 2, Article 44-15, and Article 44-17, Paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall postpone or continue the meeting date in accordance with the provisions of the second paragraph.

Article 21: When the Company convenes a virtual shareholder meeting, appropriate alternative measures shall be provided to shareholders who have difficulty participating via video conference. Except in cases specified in Article 44-9, Paragraph 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, at least connection equipment and necessary assistance shall be provided to shareholders, and the period for shareholders to apply to the Company and other relevant matters to be noted shall be stated.

Article 22: Matters not covered in these Rules shall be handled in accordance with the Company Law, the Company's Articles of Incorporation, and other relevant laws and regulations.

Article 23: These Rules shall be implemented after being approved by the shareholder meeting and shall also apply to amendments.

I. Amended and approved by the shareholder meeting on June 14, 2002.

II. Amended and approved by the shareholder meeting on March 25, 2016.

III. Amended and approved by the shareholder meeting on June 12, 2020.

IV. Amended and approved by the shareholder meeting on July 22, 2021.

V. Amended and approved by the shareholder meeting on June 19, 2024.

Hwa Fong Rubber Ind. Co., Ltd.

Articles of Incorporation

Chapter 1 General Provision

Article 1: The Company organized in accordance with the Company Act, named “HWA FONG RUBBER IND. CO., LTD.”

Article 2: The Company’s operating business is as follow:

1. C804010 tires manufacturing
2. C804020 industrial rubber products manufacturing
3. C804990 other rubber products manufacturing
4. F114030 wholesale of motor vehicle parts and motorcycle parts, accessories
5. F114040 wholesale of bicycle and component parts thereof
6. F114050 wholesale of tires
7. F214030 retail sale of motor vehicle parts and motorcycle parts, accessories
8. F214040 retail sale of bicycle and component parts thereof
9. F214050 retail sale of tires and tubes
10. F399040 retail sale no storefront
11. F401010 international trade
12. JA01010 automobile repair
13. ZZ99999 all business items that are not prohibited or restricted by law, except those that are subject to special approval
14. E801010 building maintenance and upholstery
15. F111090 wholesale of building materials
16. G202010 parking area operators
17. H701010 housing and building development and rental
18. H701020 industrial factory buildings lease construction and development
19. H701040 specific area development
20. H701050 investment, development and construction in public construction
21. H701060 new towns, new community development
22. H701070 process zone expropriation and urban land readjustment agency
23. H701080 urban renewal reconstruction
24. H701090 urban renewal renovation or maintenance
25. H703090 real estate business
26. H703100 real estate rental and leasing
27. F113990 wholesale of other machinery and equipment
28. F114010 wholesale of motor vehicles
29. F114020 wholesale of motorcycles
30. F213990 retail sale of other machinery and equipment
31. F214010 retail sale of motor vehicles
32. F214020 retail sale of motorcycles
33. JA02030 bicycle repair

Article 3: The Company established the head office in Changhua County, shall establish branches in other proper places when it’s necessary.

Article 4: The Company’s announcement methods shall be implemented in accordance with Article 28 of the Company Act.

Chapter 2 Shares

Article 5: The Company's total capital was set as NT\$ 10 billion, separated into 1 billion shares, the price per share was NT\$ 10, and unissued shares were issued by authorized board of directors at several times.

Article 6: The Company's shares are all adopted registered share certificates, affixed respective signatures or personal seals of five or more directors, and issued in accordance with the regulations. The Company may be exempted from printing any share certificate for the shares issued, but shall be registered in Centralized Securities Depository Enterprises.

Article 7: The Company's securities affairs shall be conducted in accordance with Regulations Governing the Administration of Shareholder Services of Public Companies issued by the competent authority.

Article 8: A shareholder's name change and transfer shall not be conducted before 60 days of a regular shareholders' meeting, before 30 days of a special shareholders' meeting or within 5 days before the record date of dividends or other benefits distribution decided by the Company.

Article 9: Shareholders' meeting shall be of two kinds: a regular shareholders' meeting and a special shareholders' meeting, the regular shareholders' meeting shall be convened within six months after close of each fiscal year, and the special shareholders' meeting shall be convened in accordance with the regulations when it's necessary. When a shareholder cannot attend the shareholders' meeting for any reason, shall appoint a proxy issued by the Company to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney stating therein the scope of power authorized to the proxy. Unless otherwise permitted by Article 177 of the Company Act, related matters shall be conducted in accordance with Regulations Governing the Use of Proxies for Attendance at Shareholder Meeting of Public Companies issued by the competent authority.

Article 9-1: The Company's shareholders' meeting shall be convened online or by other methods announced by central authority. When a virtual shareholders' meeting is adopted, matters shall be conducted in accordance with relevant regulations, such as meeting conditions, operating procedures and other complied matters, etc., except as otherwise provided by central authority, matters shall be conducted in accordance with the regulation.

Chapter 3 Shareholders' meeting

Article 10: Resolutions at a shareholders' meeting shall, unless otherwise provided for related regulations, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

However, when the following circumstances occurred, and the shareholders who

represent two-third of the total number of issued shares intends to attend the meeting in person or by a proxy, and by agreement of a majority of the votes represented by the attending shareholders.

(1) Purchased or merged other domestic and foreign companies.

(2) The dissolution or final accounts, demerger of the Company.

Article 10-1: When the Company holds a shareholders' meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence, a shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting, it means that it shall be conducted in accordance with Article 177-2 of the Company Act.

Article 11: A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

Article 12: Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes, and the meeting minutes shall be conducted in accordance with Article 183 of the Company Act.

Article 13: The board of directors of a company shall have nine to thirteen directors who shall be elected by the shareholders' meeting from among the persons with disposing capacity, and the term of office of a director shall not exceed three years, but he/she may be eligible for re-election.

The number of directors mentioned above independent directors shall not be less than two persons, and less than one-fifth of the director seats, a candidates nomination system is adopted by a company for election of the directors (included independent directors) of the Company, and shareholders elected directors (independent directors) among a roster of director candidates.

Elections of directors at the Company shall be conducted with elections of independent directors and non-independent directors, and separately calculated the number of elected. The professional qualifications, shareholding, part-time restrictions, nomination and election methods and other matters to be followed of the independent director shall be conducted in accordance with the relevant provisions of the securities authorities.

The preceding percentage of shareholdings of all the directors selected is subject to the provisions prescribed by the Securities Regulatory Agency.

Article 13-1: When the Company appointed the audit committee, shall not elect another supervisor in accordance with Article 14-4 of Securities and Exchange Act, the audit committee

shall be composed of the entire number of independent directors, it shall not be fewer than three persons in number, one of whom shall be the convener, and at least one of whom shall have accounting or financial expertise. Duty exercising of the audit Committee, organization rules or other matters for compliance, shall be conducted in accordance with related regulations or the Company's rules.

Article 14: The Company's election of directors shall adopt a cumulative voting, the number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates, a candidate to whom the ballots cast represent a prevailing number of votes shall be deemed a director elect.

Chapter 4 Director, Supervisor and Managerial Officer

Article 15: Directors organized the board of directors to exercise the duties of directors, and the directors shall be elected by the shareholders from among themselves or appoint one person as a chairman, one person as vice chairman, the chairman represent the Company to chair all business, however the vice chairman assists the chairman in all business. The proxy mentioned above, when one-third of term of office left, re-election shall be held within three months. When the number of vacancies in the board of directors of a company equals to one-third of the total number of directors, the board of directors shall call, within 30 days, a special meeting of shareholders to elect succeeding directors to fill the vacancies, his/her/its term of office is restricted to fulfill the unexposed term of office of the predecessor. After the Company issued stocks in public, the board of directors shall call a special shareholders' meeting for re-election within 60 days.

Article 16: A meeting of board of directors may be convened one time each quarter, and in calling a meeting of the board of directors, a notice shall set forth therein the subject(s) to be discussed at the meeting, and shall be given to each director no later than 7 days prior to the scheduled meeting date; however, in the case of emergency, a meeting of the board of directors may be convened at any time. The notice of the meeting of board of directors may be effected by means of writing, electronic transmission or E-mail, etc.

Unless the first meeting of each term of the board of directors shall be convened in accordance with the proviso in Article 203 of the Company Act, other meetings shall be convened and chaired by the chairman, unless otherwise regulations provided for the Company Act, a resolution of the meeting of board of directors shall be agreed by a majority vote of the directors at a meeting of the board of directors attended by at least a majority of the entire directors of the company, and the meeting minutes shall be made. When a director cannot attend the meeting of the board of directors in person, a director may be represented by another director. In case a meeting of the board of directors is proceeded via visual communication network, then the directors taking part in such a

visual communication meeting shall be deemed to have attended the meeting in person.

Article 17: Deleted

Article 18: The remuneration of directors, and shall be determined by the authorized board of directors to pay at such level as generally adopted by the enterprises of the same industry.

Article 19: The Company may appoint an executive director, several managerial officers (include general manger, vice general manager), his/her appointment, discharge and remuneration shall be conducted in accordance with Article 29 of the Company Act and related regulations. They may recruit consultants as business needs.

Article 19-1: The Company may purchase the liability insurance for directors and important staff with respect to liabilities resulting from exercising their duties during their terms of directorship.

Chapter 5 Accounting

Article 20: The end of December every year is the final accounts period of the Company, and the following final statements shall be drawn up by the board of directors at the end of each fiscal year, and submitted to the audit committee for audit before 30 days of the scheduled date of a regular shareholders' meeting and the audit report shall be offered, and reported to a shareholders' meeting for approval.

(1) Business Report

(2) Balance Sheet

(3) Comprehensive Income Statement

(4) Statements of Changes in Equity

(5) Statements of Cash Flows

(6) Earnings distribution or appropriation of loss proposal

Article 21: As the profitability of the current year (This refers to the profit before tax for the year, prior to the deduction of employee and director compensation allocations), the Company shall not allocate less than 2% as employees' remuneration, and more than 5% as directors' remuneration. However, the company's accumulated losses shall have been covered.

Employees' compensation may be distributed in the form of shares or in cash, and qualification requirements of employees shall include the employees of parents or subsidiaries of the company meeting certain specific requirements.

At least 35% of the employee compensation amount under Item I shall be allocated to grassroots employees. Distribution of employees and directors' remuneration shall be conducted by a resolution by a majority voting of the directors present at a meeting of its board of directors attended by two-third of the directors of the company, and reported to a shareholders' meeting.

A company which has the profit distributed to employees in the form of shares by a resolution of the meeting of board of directors in accordance with the provision of the preceding paragraph may resolve, at the same meeting of the board of directors, to distribute the shares by way of new shares to be issued by the company or existing shares to be re-purchased by the company.

Article 21-1: The Company's earnings distribution or loss recovery was conducted in the end of each half of fiscal year. The Company's earnings distribution proposal or loss appropriation proposal of the first half of the fiscal year, shall be submitted with the operation report and financial statements to the audit committee, and reported to the board of directors for approval after audited. Due to the variation of the industrial environment where the Company lies in, the enterprise is in the phase of steady growth, and considered the Company's future fund needs and long-term financial plan, if there are earnings, tax contribution and loss recovery shall be made first, and then appropriated 10% as legal reserve, however, except when legal reserve achieved the Company's paid-in capital; besides, as the Company's operational needs and the regulations, designated special reserve, if there were earnings, consolidated beginning of period undistributed earnings, 20-90% of earnings can be appropriated by the resolution of the board of directors as earnings distribution of the current year. The cash dividends inside shall not be lower than 10% of total number of earnings distribution. When earnings mentioned in the preceding paragraph were distributed as dividends or designated legal reserve or capital reserve, all or a part may be paid in cash, and it shall be conducted after approved by the special resolution of the board of directors, and reported to a shareholders' meeting, when the distribution was made in the form of issuing new shares, shall be reported to a shareholders' meeting, and conducted after approved.

Chapter 6 Supplemental Provisions

Article 22: After approved by the board of directors, the Company may make guarantees for other companies.

Article 23: The Company's related reinvestment business shall have no restrictions.

Article 24: The Company's organizational regulations, rules and other chapters shall be prescribed by the board of directors.

Article 25: Unsettled matters of the Articles shall be conducted in accordance with the Company Act.

Article 26: The Articles of Incorporation was drawn up on March 8, 1959.

The 1st amendment was made on April 8, 1962.

The 2nd amendment was made on May 15, 1967.

The 3rd amendment was made on August 10, 1970.

The 4th amendment was made on October 20, 1972.

The 5th amendment was made on September 20, 1973.

The 6th amendment was made on June 20, 1976.
The 7th amendment was made on December 3, 1977.
The 8th amendment was made on April 15, 1979.
The 9th amendment was made on June 21, 1981.
The 10th amendment was made on May 23, 1982.
The 11th amendment was made on June 12, 1983.
The 12th amendment was made on February 10, 1985.
The 13th amendment was made on February 5, 1986.
The 14th amendment was made on February 13, 1988.
The 15th amendment was made on May 22, 1991.
The 16th amendment was made on June 28, 1991.
The 17th amendment was made on May 15, 1992.
The 18th amendment was made on May 14, 1993.
The 19th amendment was made on July 8, 1994.
The 20th amendment was made on May 17, 1995.
The 21st amendment was made on May 24, 1996.
The 22nd amendment was made on December 2, 1996.
The 23rd amendment was made on May 23, 1997.
The 24th amendment was made on May 13, 1998.
The 25th amendment was made on June 15, 1999.
The 26th amendment was made on June 19, 2000.
The 27th amendment was made on June 12, 2001.
The 28th amendment was made on June 14, 2002.
The 29th amendment was made on March 20, 2003.
The 30th amendment was made on June 17, 2004.
The 31st amendment was made on June 16, 2005.
The 32nd amendment was made on June 19, 2008.
The 33rd amendment was made on June 25, 2010.
The 34th amendment was made on June 16, 2011.
The 35th amendment was made on September 14, 2011.
The 36th amendment was made on June 19, 2013.
The 37th amendment was made on May 14, 2014.
The 38th amendment was made on October 14, 2014.
The 39th amendment was made on March 25, 2016.
The 40th amendment was made on June 27, 2018.
The 41st amendment was made on June 21, 2019.
The 42nd amendment was made on July 22, 2021.
The 43rd amendment was made on June 14, 2022.
The 44th amendment was made on June 13, 2025.

Hwa Fong Rubber Ind. Co., Ltd.

All Directors' Shareholding Statement

1. Total number of the Company's issued shares: 279,349,134 (as of the book closure date: November 2, 2025).
2. The minimum legally held shares held by the Company's shareholders: 12,000,000.
3. As of the book closure date (November 2, 2025) at 2025 first extraordinary shareholders' meeting, and individual and all directors' shareholding statements registered in the shareholders roster are as follows.

Current All Directors' Shareholding Statement

Total number of issued shares: 279,349,134 shares

Title	Name	Shareholding numbers	Shareholding ratios
Chairman	Feng Tsuan Co., Ltd.	8,884,210	3.18%
	Chairman/representative: Shen, Kuo-Jung		
Vice chairman	Vice chairman/representative: Chiu, Shih-Chien		
Director	Director/representative: Shen, Chien-Chih		
	Director/representative: Wu, Pin-Yi		
	Director/representative: Liao Chen, Hsuan-Yu		
Director	Sumitomo Rubber Industries, Ltd.	28,428,574	10.18%
Director	Teng Feng Investment & Development Co., Ltd.	4,196,151	1.50%
	Director/representative: Yan, Ruei-Sian		
Director	Sheng Ta Investment Co., Ltd.	902,764	0.32%
	Director/representative: Yan, Ming-Shan		
Independent director	Liao, Shu-Chung	-	-
Independent director	Yang, Wen-Kuang	-	-
Independent director	Huang, Chu-Chia	100,000	0.04%
Sum of all directors' shareholding numbers		42,511,699	15.22%



**HWA FONG RUBBER 2025 FIRST EXTRAORDINARY
SHAREHOLDER'S MEETING.**

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