

Stock Code: 1220



TAI ROUN PRODUCTS CO., LTD.

2026 General Shareholders' Meeting

Meeting Handbook

Method for convening of the shareholders' meeting: Physical meeting

Date: 9 a.m., June 24, 2026

Location: 3F, No. 1, Sec. 3, Zhongxiao East Rd., Da'an Dist.,

Taipei City

(Everlight Building, Taipei University of Technology)

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Tairoun Products Co., Ltd. - Proceedings for the 2026 Annual General Shareholders' Meeting

Method for convening of the shareholders' meeting: Physical meeting.

Time: 9 a.m., June 24, 2026.

Location: 3F, No. 1, Section 3, Zhongxiao East Road, Da'an District, Taipei City (Everlight Building, Taipei University of Technology).

- I. Call the meeting to order (announced when the attending number of shares has reached the quorum)
- II. Chairperson opening remarks
- III. Report Items
- IV. Ratification
- V. Discussion
- VI. Extraordinary motions
- VII. Adjournment

Report Items

I. The Company's 2025 Business Report.

Description: The Company's 2025 Business Report is hereby attached.

I. 2025 Business Report

(I) Operational results:

Table of 2025 production, quantity, and value by product

Unit: Metric tons; NTD thousand

Item	2024		2025			
	Sales volume	Turnover	Sales volume	2025/2024 growth rate	Turnover	2025/2024 growth rate
Feeds	45,112	911,135	53,375	18.32%	967,708	6.21%
Fructose	55,736	1,136,364	47,623	-14.56%	939,533	-17.32%
Starch and by-products	48,612	618,700	30,218	-37.84%	347,235	-43.88%
Others	4,630	23,811	4,237	-8.49%	22,366	-6.07%
Total	—	2,690,010	—	—	2,276,842	-15.36%

In 2025, the global economy remained in an environment shaped by multiple intertwined uncertainties. The war between Russia and Ukraine continues without abatement, and geopolitical risks in the Middle East occasionally intensify, causing energy and commodity prices to remain volatile. Although global supply chains have gradually returned to normal after the pandemic, overall economic growth momentum has relatively slowed under the impact of high-interest rate policies and inflationary pressures in major economies. Factors such as international agricultural product prices, energy costs, and exchange rate fluctuations all pose certain challenges to the corporate operating environment, and the global economic outlook remains uncertain.

The Company is principally engaged in the production and sale of feed, corn starch, high fructose syrup, and related by-products. Its primary raw materials include corn, soybean meal, and fish meal, most of which are imported from international markets. Therefore, international grain prices, climate change, and policy changes in major producing regions all have a direct impact on the Company's raw material costs and operations. In 2025, although global corn prices slightly declined from the highs of previous years, they remained at a relatively elevated level overall. In addition, fishing quotas and fishing bans in South America, the primary producing region for fish meal, continued to affect market supply, keeping fish meal prices at a high level and placing certain pressure on the cost structure of the feed industry.

In terms of operating results, the Company's feed product sales volume in 2025 was 53,375 metric tons, representing an increase of 18.32% compared to 2024, demonstrating that the business team has continued to deepen market presence and actively expand the customer base, resulting in steady growth in feed product sales performance. Revenue also increased by 6.21%, rising from NTD 911,135 thousand in 2024 to NTD 967,708 thousand, although market competition remained intense and product prices continued to face certain pressure.

In terms of fructose products, the sales volume in 2025 was 47,623 metric tons, representing a decrease of 14.56% compared to 55,736 metric tons in 2024. Affected by changes in demand in the food market and the trend toward reduced sugar consumption, demand for fructose products slightly declined, and revenue also decreased from NTD 1,136,364 thousand in 2024 to NTD 939,533 thousand, representing a decrease of 17.32%.

In terms of starch and by-products, the sales volume in 2025 was 30,218 metric tons, representing a decrease of 37.84% compared to 48,612 metric tons in 2024, and revenue also declined from NTD 618,700 thousand in 2024 to NTD 347,235 thousand. This was mainly

due to lower prices of substitute products such as tapioca starch in the international market and intensified competition from imported products, which limited the room for product price adjustments and consequently affected overall sales performance.

Looking ahead, the Company will continue to monitor changes in international raw material market conditions and market demand trends, strengthen raw material procurement management and cost control, continuously enhance product quality and R&D capabilities, and actively expand markets and optimize the product portfolio to improve overall operating performance and the Company's long-term competitiveness.

(II) Budget execution

Comparison of 2025 budget and actual performance

Unit: NTD Thousands

Item	Budget amount	Actual amount	Achievement rate
Sales revenue	2,550,530	2,276,842	89.27%
Cost of goods sold	(2,352,818)	(2,131,465)	90.59%
Gross profit from sales	197,712	145,377	73.53%
Operating expenses	(111,513)	(171,444)	153.74%
Operating profit	86,199	(26,067)	-30.24%
Non-operating revenue	11,600	43,611	375.96%
Non-operating expenses	(19,518)	(1,163)	5.96%
Net income before tax	78,281	16,381	20.93%

(III) Profitability

The Company's budgeted operating revenue for 2025 was NTD 2,550,530 thousand, and the actual operating revenue was NTD 2,276,842 thousand, representing an achievement rate of 89.27%. The budgeted cost of goods sold was NTD 2,352,818 thousand, and the actual amount was NTD 2,131,465 thousand, representing an achievement rate of 90.59%. The budgeted gross profit was NTD 197,712 thousand, and the actual amount was NTD 145,377 thousand, representing an achievement rate of 73.53%.

In terms of operating expenses, the budgeted selling and administrative expenses were NTD 111,513 thousand, and the actual amount was NTD 171,444 thousand, representing an achievement rate of 153.74%. Affected by revenue falling short of expectations and increased operating expenses, the budgeted operating income was NTD 86,199 thousand, while the actual result was an operating loss of NTD 26,067 thousand.

In terms of non-operating income and expenses, the budgeted non-operating income was NTD 11,600 thousand, and the actual amount was NTD 43,611 thousand; the budgeted non-operating expenses were NTD 19,518 thousand, and the actual amount was NTD 1,163 thousand. Overall non-operating income and expenses performed better than budget.

Description of major differences:

1. Operating revenue fell short of the budget, mainly due to intense market competition and lower-than-expected selling prices and demand for certain products.
2. Gross profit fell short of the budget, mainly due to product selling prices being affected by market price competition.

3. Selling and administrative expenses exceeded the budget, mainly due to an increase in operating-related expenses.
4. Non-operating income and expenses performed better than budget, mainly due to an increase in non-operating income and a decrease in expenses.

II. 2026 Business Plan

(I) 2026 business policy

Looking ahead to 2026, the global economy will continue to face multiple challenges, including geopolitical risks, fluctuations in raw material prices, and intensified industry competition. The Company will continue to adhere to the principle of prudent operations, strengthen operational management and market positioning, and enhance overall competitiveness and long-term operating performance through improvements in product quality and cost control.

In the feed business, prices of international grains and protein raw materials continue to be affected by climate change, supply and demand conditions in major producing regions, and international political and economic conditions, and market volatility remains high. Accordingly, the Company will continue to strengthen its monitoring of international raw material market conditions and, through precise procurement strategies and inventory management, effectively control raw material costs and enhance production efficiency. At the same time, as public attention to food safety and upstream supply chain management continues to increase, feed quality and production management have also become key focuses of the industry. In terms of future market expansion, the Company will adhere to the principle of steady growth, prudently evaluate customer partnerships, and continue to deepen its cooperation with existing customers. In addition, as the government promotes aquaculture-photovoltaic symbiosis policies, the development of the related aquaculture industry is expected to drive demand for feed. The Company will closely monitor industry development trends, seize relevant market opportunities, and maintain stable product quality and reasonable profitability through strict process management and cost control.

In the food business, as consumer health awareness continues to increase, demand in the food market for raw material quality and product diversification is growing. The Company will continue to provide diversified product options, including non-GMO products and liquid cane sugar, to meet market demand and enhance product value. In terms of starch products, in addition to existing food applications, the Company is also actively expanding into industrial applications, including potential fields such as the paper industry, in order to broaden product applications and expand market scale. At the same time, the Company will continue to evaluate development opportunities for corn deep-processing related products and, through technological enhancements and market positioning, move toward diversified operations and product diversification to strengthen its long-term competitive advantages.

In response to changes and challenges in the future industry environment, the Company will continue to uphold a prudent and pragmatic management philosophy, enhance operational efficiency, strengthen product competitiveness, and deepen cooperation with customers and industry partners to create sustainable development and long-term value for shareholders.

1. Feed business

- (1) Actively expand the market, eliminate underperforming customers, and focus on securing high-performing ones.
- (2) Gradually improve the product portfolio, increase the products with favorable basis and reduce the products with poor profit margins.
- (3) Strengthen R&D capabilities, actively work on improving formulas, with the goal of ensuring the Company's products meet customer satisfaction.
- (4) Gradually replace old production equipment and purchase new production equipment to improve product quality.

2. Food business

- (1) Strengthen after-sales service, consolidate market presence, and actively develop potential customers.
- (2) Implement FSSC22000 operations to ensure product quality and increase customer loyalty.
- (3) Implement factory waste reduction and energy-saving policies to lower production costs.
- (4) Actively promote the correct consumption/use methods to increase customer confidence and expand sales.
- (5) Look for opportunities to expand the market for processed starch products, in order to improve factory production efficiency, and increase product items, reduce costs and increase sales.

3. Service departments

- (1) Strengthen credit investigation to reduce the occurrence of bad debts.
- (2) Shorten the number of days for accounts receivable and the payment period, and improve the utilization of funds.
- (3) Streamline the expenditure of various expenses to achieve the purpose of savings.
- (4) Re-evaluate the use of human resources, hoping to achieve the right person for the right job and give full play to the strength of the team.
- (5) Pay close attention to the changes in international finance and manage foreign exchange properly to avoid losses caused by drastic changes in exchange rates and make good use of exchange rate fluctuations to reduce costs.
- (6) Keep a close eye on the international market of raw materials and energies at all times, grasp the appropriate procurement timing, hoping to obtain the most favorable raw material prices to reduce the cost of the Company's products.

(II) Production and sales plan

Table of estimated 2026 production, quantity, and value by product

Unit: Metric tons; NTD thousand

By product \ Item		Production		Sales	
		Quantity	Value	Quantity	Value
Feeds		56,470	968,120	56,740	1,058,650
Fructose		46,000	797,820	46,000	888,150
Starch	Self-use	38,500	—	—	—
	For sale	26,340	367,380	26,340	349,350
Starch by-product	Self-use	2,160	—	—	—
	For sale	16,720	99,970	16,720	117,600
Others		—	9,630	—	22,100
Total (sold)		—	2,242,920	—	2,435,850

Note: The production value only refers to the portion sold, excluding self-use.

III. Future development strategies of the Company

- (I) Integrate sustainability goals into corporate strategies to strengthen the corporate physique and mobility.
- (II) Construct the required talent training mechanism and organizational culture, create a diverse, equal, and inclusive work environment, and increase the incentives for talent retention.
- (III) Build a manufacturing factory of smart digital technology to improve the efficiency of production, operation and resource use.
- (IV) Establish a diversified raw material supply chain, maintain a stable supply system and flexible procurement strategies.
- (V) Make good use of other land and plants, promote green energy development strategies, and implement low-carbon emissions through energy transformation.

Chairman: Bay&Lake Investment Co., Ltd.

Manager: Ying-Kai Chen

Head of Accounting: Ta-Ching Chang

Report Items

II. Audit Committee's review of 2025 financial statements.

Description: The Company's 2025 financial statements have been audited by the CPAs, and the audit report has been issued on record. The Business Report and the Earnings Distribution Table have also been reviewed by the Audit Committee, with a review report issued.

Tairoun Products Co., Ltd.

Audit Committee Review Report

The Company's 2025 Business Report, Earnings Distribution Table, and financial statements audited by CPAs Chun-Hui Ke and Chun-Chun Chang of BDO Taiwan, were found to be in conformity with the standards set forth by our Audit Committee. Report pursuant to Article 14-4 and Article 219 of the Company Act. We have thereby presented you the above reports.

To

The Company's 2026 annual general shareholders' meeting

Audit Committee Convener: Chun-Chieh Chen

March 11, 2026

Auditor's Report

To: TAI ROUN PRODUCTS CO., LTD.

Audit Opinions

We have audited the individual balance sheets of TAI ROUN PRODUCTS CO., LTD. as of December 31, 2025 and 2024, and the related individual statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the individual financial statements (including a summary of significant accounting policies).

In our opinion, the individual financial statements referred to the above present fairly, in all material respects, the individual financial position of TAI ROUN PRODUCTS CO., LTD. as of December 31, 2025 and 2024, and its individual financial performance and its individual cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for the audit opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the individual financial statements of TAI ROUN PRODUCTS CO., LTD. for the year 2025. These matters were addressed in our audit of the parent company only financial statements as a whole, and in forming our audit opinion. We do not provide a separate opinion on these matters.

The key audit matter for TAI ROUN PRODUCTS CO., LTD.'s individual financial statements for the year 2025 is described as follows:

Key Audit Matter - Reasonableness and appropriateness of recognition of sales revenue

Item description

The revenue of TAI ROUN PRODUCTS CO., LTD. mainly comes from the sale of feed, fructose and starch products. Please refer to Note IV(XXVI) to the parent company only financial statements for the accounting policy for revenue recognition. Revenue is a basic operating activity for a company's sustainable operation, which is related to corporate operating performance and directly affects the company's profit. Therefore, we have listed the reasonableness and appropriateness of the sales revenue recognition as a key audit matter.

Corresponding audit procedures

The main audit procedures performed by us in response to the above-mentioned key audits include (but not limited to) the following:

1. Understanding and testing the effectiveness of the internal control procedures on the recognition of sales revenue.
2. Spot checks on the existence and amount of sales revenue recognition, and conducts revenue cut-off test to ensure that the revenue is recognized at the correct timing.

Key Audit Matter - Reasonableness of impairment assessment on receivables

Item description

For the accounting policy of the recognition of impairment of accounts receivable, please refer to Note 4(9) of the parent company only financial statements. The expected credit loss model of receivables is adopted to assess impairment. Since the impairment assessment of receivables involves the judgment of the management, we have listed the reasonableness of the impairment assessment of receivables as a key audit matter.

Corresponding audit procedures

The main audit procedures performed by us in response to the above-mentioned key audits include (but not limited to) the following:

1. Understand and evaluate the relevant accounting policies of the Company on the assessment of impairment of accounts receivable.
2. Testing the effectiveness of the internal control procedures related to receivables.
3. Carefully evaluate the assumptions used by the management to calculate the loss allowance, and confirm that the calculation is sufficient to support the amount of the loss allowance, including testing the correctness of the aging report and the reasonableness of the expected loss rate used as the basis for calculating the loss allowance.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair representation of the standalone financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the auditing of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance. Still, it is not a guarantee that an audit conducted in accordance with R.O.C. Audit Standard will always detect a material misstatement in the parent company only financial statements when it exists. Misstatements can arise from fraud or error. If the amount of misstatement, either individually or in the aggregate, can reasonably be expected to influence the economic decisions of the users of the parent company only financial statements, the misstatement is considered material.

We exercise professional judgment and skepticism during the audit in accordance with the Auditing Standards of the Republic of China. We also perform the following tasks:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. We obtained the necessary understanding of internal controls relevant to the audit in order to design appropriate audit procedures for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of TAI ROUN PRODUCTS CO., LTD.'s internal control.
3. We evaluated the appropriateness of accounting policies used by management and the reasonableness of accounting estimates and related disclosures made.
4. Based on the audit evidence obtained, we concluded on the appropriateness of management's use of the going concern basis of accounting and whether a material uncertainty exists related to events or conditions that may cast significant doubt on TAI ROUN PRODUCTS CO., LTD.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause TAI ROUN PRODUCTS CO., LTD. to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements (including relevant notes), and whether the parent company only financial statements represent the relevant transactions and events in a fair manner.
6. Obtain sufficient and appropriate audit evidence for the financial information of the entities within the Company to express an opinion on the parent company only financial statements. We are responsible for the guidance, supervision and implementation of the audit case, and is responsible for forming an audit opinion.

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

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

From the matters communicated with those charged with governance, we determined the key audit matters for the audit of TAI ROUN PRODUCTS CO., LTD.'s individual financial statements for the year 2025. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

BDO Taiwan

CPA: Chun-Hui Ke

CPA: Chun-Chun Chang

Approval reference number of the competent securities authority:
(83) Tai-Cai-Zheng (6) Zi No. 31146
Jin-Guan-Zheng-Shen-Zi No. 1120354190

March 12, 2026

Auditor's Report

To: TAI ROUN PRODUCTS CO., LTD.

Audit Opinions

We have completed our audit of the consolidated balance sheets of TAI ROUN PRODUCTS CO., LTD. and its subsidiaries as of December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity, and cash flows for the years from January 1 to December 31, 2025 and 2024, as well as the notes to the consolidated financial statements (including a summary of significant accounting policies).

In our opinion, the aforementioned consolidated financial statements present fairly, in all material respects, the consolidated financial position of TAI ROUN PRODUCTS CO., LTD. and its subsidiaries as of December 31, 2025 and 2024, and their consolidated financial performance and consolidated cash flows for the years from January 1 to December 31, 2025 and 2024, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretation Bulletins that have been endorsed and issued into effect by the Financial Supervisory Commission.

Basis for the audit opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of TAI ROUN PRODUCTS CO., LTD. and its subsidiaries for the fiscal year 2025. These matters were addressed in our audit of the consolidated financial statements as a whole, and in forming our audit opinion. We do not provide a separate opinion on these matters.

The key audit matters in respect of the consolidated financial statements of TAI ROUN PRODUCTS CO., LTD. and its subsidiaries for the fiscal year 2025 are described as follows:

Key Audit Matter - Reasonableness and appropriateness of recognition of sales revenue

Item description

The revenue of TAI ROUN PRODUCTS CO., LTD. and its subsidiaries is mainly derived from the sale of feed, fructose, starch, frozen prepared foods, and seafood. For the accounting policy for revenue recognition, please refer to Note 4(27) of the consolidated financial statements. Revenue is a basic operating activity for a company's sustainable operation, which is related to corporate operating performance and directly affects the company's profit. Therefore, we have listed the reasonableness and appropriateness of the sales revenue recognition as a key audit matter.

Corresponding audit procedures

The main audit procedures performed by us in response to the above-mentioned key audits include (but not limited to) the following:

1. Understanding and testing the effectiveness of the internal control procedures on the recognition of sales revenue.
2. Spot checks on the existence and amount of sales revenue recognition, and conducts revenue cut-off test to ensure that the revenue is recognized at the correct timing.

Key Audit Matter - Reasonableness of impairment assessment on accounts receivable

Item description

For the accounting policy for the recognition of impairment of accounts receivable, please refer to Note 4(11) of the consolidated financial statements. The expected credit loss model of receivables is adopted to assess impairment. Since the impairment assessment of receivables involves the judgment of the management, we have listed the reasonableness of the impairment assessment of receivables as a key audit matter.

Corresponding audit procedures

The main audit procedures performed by us in response to the above-mentioned key audits include (but not limited to) the following:

1. Understand and evaluate the relevant accounting policies of the Group on the assessment of impairment of accounts receivable.
2. Testing the effectiveness of the internal control procedures related to receivables.
3. Carefully evaluate the assumptions used by the management to calculate the loss allowance, and confirm that the calculation is sufficient to support the amount of the provision for bad debts, including testing the correctness of the aging report and the reasonableness of the expected loss rate used as the basis for calculating the loss allowance.

Other matters

TAI ROUN PRODUCTS CO., LTD. has also prepared the parent company only financial statements for 2025 and 2024, for which we have issued an unqualified opinion.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair representation of the consolidated financial statements in accordance with IFRS, IAS, IFRICs and SICs endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for Auditing the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance. Still, it is not a guarantee that an audit conducted in accordance with R.O.C. Audit Standard will always detect a material misstatement in the consolidated financial statements when it exists. Misstatements can arise from fraud or error. If the amount of misstatement, either individually or in the aggregate, can reasonably be expected to influence the economic decisions of the users of the consolidated financial statements, the misstatement is considered material.

We exercise professional judgment and skepticism during the audit in accordance with the Auditing Standards of the Republic of China. We also perform the following tasks:

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of TAI ROUN PRODUCTS CO., LTD. and its subsidiaries for the fiscal year 2025. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

BDO Taiwan

CPA: Chun-Hui Ke

CPA: Chun-Chun Chang

Approval reference number of the competent securities authority:
(83) Tai-Cai-Zheng (6) Zi No. 31146
Jin-Guan-Zheng-Shen-Zi No. 1120354190

March 12, 2026

Report Items

III. Report on the Company's 2025 remuneration to employees and directors.

- Description: I. Pursuant to Article 27 of the Company's Articles of Incorporation: "The Company shall allocate no less than 3.5% of the profit before tax for the current year, prior to the distribution of employees' remuneration and directors' remuneration, after retaining an amount to offset accumulated losses, as employees' remuneration (which shall include no less than 1% allocated to entry-level employees), and directors' remuneration shall not exceed 5%."
- II. The Company's employees' and directors' remuneration for 2025 are proposed, in accordance with Article 27 of the Company's Articles of Incorporation, to be allocated at 3.5% as employees' remuneration in the amount of NTD 616,491 and 3.5% as directors' remuneration in the amount of NTD 616,492, totaling NTD 1,232,983, all to be distributed in cash.

Ratification

Motion 1

proposed by the Board of Directors

Cause of motion: Ratification for motion the Company's 2025 Business Report and Financial Statements.

Description: The Company has prepared the financial statements and consolidated financial statements for 2025. The balance sheet, statement of comprehensive income, statement of changes in equity, statement of cash flows, together with the business report are attached for ratification.

Resolution:

TAI ROUN PRODUCTS CO., LTD.
Balance Sheet
January 1 to December 31, 2025 and 2024

Unit:NTD thousands

Code	Assets	Notes	December 31, 2025		December 31, 2024		Code	Liabilities and equity	Notes	December 31, 2025		December 31, 2024	
			Amount	%	Amount	%				Amount	%	Amount	%
	Current assets							Current liabilities					
1100	Cash and cash equivalents	IV, VI(I)	\$ 252,153	9	\$ 301,959	11	2100	Short-term borrowings	IV, VI(XI)	\$ -	-	\$ 2,908	-
1110	Financial assets at fair value through profit or loss - current	IV, VI(II)	85,423	3	103,449	4	2150	Payable notes	IV	89	-	5	-
1150	Net notes receivable	IV, VI(III)	274,479	10	230,277	8	2170	Accounts payable	IV	150,596	6	83,307	4
1170	Net accounts receivable	IV, VI(III)	304,178	11	295,887	10	2180	Accounts payable - related parties	IV, VII	2,539	-	1,294	-
1180	Accounts receivable - related parties, net	IV, VI(III), VII	38,137	1	54,359	2	2200	Other payables		57,345	2	81,658	3
1200	Other receivables		196	-	324	-	2230	Current income tax liabilities		-	-	33,352	1
1210	Other receivables - related parties	VII	-	-	32	-	2250	Provisions - current	IV, VI(XII)	7,367	-	3,302	-
1220	Current income tax assets		17,090	1	-	-	2280	Lease liabilities - current	IV	4,700	-	2,877	-
130x	Inventory	IV, VI(IV)	398,877	15	531,075	18	2300	Other current liabilities		1,480	-	2,118	-
1410	Prepayments		25,362	1	21,609	1	21xx	Total of current liabilities		224,116	8	210,821	8
1470	Other current assets		46,141	2	790	-							
11xx	Total current assets		1,442,036	53	1,539,761	54		Non-current liabilities					
	Non-current assets						2570	Deferred income tax liabilities	IV, VI(XXIV)	157,272	6	157,970	5
1550	Investment under equity method	4, 6(5)	133,485	5	133,319	5	2580	Lease liabilities - non-current	IV	4,543	-	3,143	-
1600	Property, plant and equipment	IV, VI(VI)	1,018,288	37	1,004,253	36	2600	Other non-current liabilities	IV, VI(XIII)	8,825	-	17,188	1
1755	Right-of-use assets	4, 6(7)	9,191	-	6,004	-	25xx	Total non-current liabilities		170,640	6	178,301	6
1760	Investment property, net	IV, VI(IX)	26,569	1	27,292	1	2xxx	Total liabilities		394,756	14	389,122	14
1830	Biological assets - non-current	IV, VI(X)	4,065	-	-	-		Equity					
1840	Deferred income tax assets	IV, VI(XXIV)	16,022	1	13,537	-	3100	Share capital	IV, VI(XIV)				
1900	Other non-current assets		83,245	3	110,335	4	3110	Common stock capital		1,770,779	65	1,770,779	62
15xx	Total non-current assets		1,290,865	47	1,294,740	46	3200	Capital reserve	VI(XV)	24,880	1	24,115	1
							3300	Retained earnings	4, 6(16)				
							3310	Legal reserve		152,720	6	133,084	5
							3320	Special reserves		263,408	9	264,543	9
							3350	Undistributed earnings (or loss to be compensated)		137,593	5	263,739	9
							3400	Other equity		(354)	-	-	-
							3500	Treasury stock	IV, VI(XVII)	(10,881)	-	(10,881)	-
							3xxx	Total equity		2,338,145	86	2,445,379	86
1xxx	Total assets		\$ 2,732,901	100	\$ 2,834,501	100		Total liabilities and equity		\$ 2,732,901	100	\$ 2,834,501	100

(Please refer to the Notes to the Parent Company Only Financial Statements)

Chairman

Manager

Head of Accounting

TAI ROUN PRODUCTS CO., LTD.
Comprehensive Income Statement
January 1 to December 31, 2025 and 2024

Unit: NTD Thousands

Code	Item	Notes	2025		2024	
			Amount	%	Amount	%
4000	Operating revenue	IV, VI(XVII)	\$ 2,276,842	100	\$ 2,690,010	100
5000	Operating cost	IV, VI(IV)(XVIII)	(2,131,465)	(93)	(2,311,981)	(87)
5950	Gross operating profit, net	VI(XVIII)	145,377	7	378,029	13
	Operating expenses					
6100	Sales promotion expenses		(67,510)	(3)	(70,337)	(3)
6200	Administrative expenses		(88,801)	(4)	(92,048)	(3)
6450	Expected credit impairment loss (gain)		(15,133)	(1)	(3,868)	-
6000	Total operating expenses		(171,444)	(8)	(166,253)	(6)
6900	Operating profit (loss)		(26,067)	(1)	211,776	7
	Non-operating income and expenses					
7100	Interest revenue	VI(XX)	6,438	-	4,924	-
7010	Other income	VI(XXI)	19,039	1	18,696	1
7020	Other gains and losses	VI(XXII)	(404)	-	(833)	-
7050	Financial cost	VI(XXIII)	(759)	-	(1,046)	-
7070	Share of profit or loss of subsidiaries, affiliates and joint ventures accounted for using equity method	4, 6(5)	18,134	1	20,738	1
7000	Total non-operating income and expenses		42,448	2	42,479	2
7900	Net income before tax		16,381	1	254,255	9
7950	Income tax expense	IV, VI(XXIV)	2,852	-	46,847	2
8200	Net income for the period		13,529	1	207,408	7
	Other comprehensive income					
8310	Items not reclassified into profit or loss					
8311	Remeasurement of defined benefit plan	IV, VI(XIII)	3,465	-	(13,823)	-
8330	Share of other comprehensive income of subsidiaries, affiliates and joint ventures accounted for using the equity method - items that are not reclassified into income					
8331	Remeasurements of defined benefit plans of subsidiaries, affiliates, and joint ventures	4, 6(5)	8	-	8	-
8336	Unrealized valuation gain or loss on investments in equity instruments measured at fair value through other comprehensive income of subsidiaries, affiliates, and joint ventures	4, 6(5)	(354)	-	-	-
8349	Income tax related to items not subject to reclassification	VI(XXIV)	(693)	-	2,764	-
8300	Other comprehensive income (net amount)		2,426	-	(11,051)	-
8500	Total comprehensive income for the period		\$ 15,955	1	\$ 196,357	7
	Earnings per share					
9750	Basic earnings per share (NTD)		\$ 0.08		\$ 1.18	
9850	Diluted earnings per share (NTD)		\$ 0.08		\$ 1.17	

(Please refer to the Notes to the Parent Company Only Financial Statements)

Chairman

Manager

Head of Accounting

TAI ROUN PRODUCTS CO., LTD.
Statement of Changes in Equity
January 1 to December 31, 2025 and 2024

Unit: NTD Thousands

	Retained earnings					Other equity items		
	Common stock capital	Capital reserve	Legal reserve	Special reserves	Undistributed earnings (or losses to be covered)	Unrealized valuation gain or loss on financial assets measured at fair value through other comprehensive income	Treasury stock	Total equity
Balance as of January 1, 2024	\$ 1,770,779	\$ 22,972	\$ 119,627	\$ 263,864	\$ 152,349	\$ -	\$ (10,879)	\$ 2,318,712
Appropriation and distribution of earnings:								
Provision of legal reserve	-	-	13,457	-	(13,457)	-	-	-
Provision of special reserve	-	-	-	679	(679)	-	-	-
Common stock cash dividends	-	-	-	-	(70,831)	-	-	(70,831)
Changes in other capital reserves	-	865	-	-	-	-	-	865
Net profit for 2024	-	-	-	-	207,408	-	-	207,408
Other comprehensive income in 2024	-	-	-	-	(11,051)	-	-	(11,051)
Total comprehensive income for the period	-	-	-	-	196,357	-	-	196,357
When a subsidiary purchases shares of the parent company, it is deemed treasury stock	-	-	-	-	-	-	(72)	(72)
Subsidiary's disposal of parent company shares treated as treasury stock transaction	-	6	-	-	-	-	70	76
Dividend paid to subsidiaries to adjust capital reserve	-	272	-	-	-	-	-	272
Balance as of December 31, 2024	\$ 1,770,779	\$ 24,115	\$ 133,084	\$ 264,543	\$ 263,739	\$ -	\$ (10,881)	\$ 2,445,379
Balance as of January 1, 2025	\$ 1,770,779	\$ 24,115	\$ 133,084	\$ 264,543	\$ 263,739	\$ -	\$ (10,881)	\$ 2,445,379
Appropriation and distribution of earnings:								
Provision of legal reserve	-	-	19,636	-	(19,636)	-	-	-
Common stock cash dividends	-	-	-	-	(123,954)	-	-	(123,954)
Reversal of special reserve	-	-	-	(1,135)	1,135	-	-	-
Changes in other capital reserves	-	290	-	-	-	-	-	290
Net profit for 2025	-	-	-	-	13,529	-	-	13,529
Other comprehensive income in 2025	-	-	-	-	2,780	(354)	-	2,426
Total comprehensive income for the period	-	-	-	-	16,309	(354)	-	15,955
Dividend paid to subsidiaries to adjust capital reserve	-	475	-	-	-	-	-	475
Balance as of December 31, 2025	\$ 1,770,779	\$ 24,880	\$ 152,720	\$ 263,408	\$ 137,593	\$ (354)	\$ (10,881)	\$ 2,338,145

(Please refer to the Notes to the Parent Company Only Financial Statements)

Chairman

Manager

Head of Accounting

TAI ROUN PRODUCTS CO., LTD.
Statement of Cash Flows
January 1 to December 31, 2025 and 2024

	Unit: NTD Thousands	
	2025	2024
Cash flow from operating activities		
Net income before tax	\$ 16,381	\$ 254,255
Item of adjustment		
Income and expenses		
Depreciation expense	67,587	54,609
Amortization expense	14,008	12,104
Expected credit impairment loss (gain)	15,133	3,868
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	2,338	(213)
Interest expense	759	1,046
Interest revenue	(6,438)	(4,924)
Dividend income	(912)	(1,434)
Share of gains on subsidiaries, affiliates and joint ventures accounted for using equity method	(18,134)	(20,738)
Losses from the disposal and scrapping of property, plant and equipment	568	127
Other Items	-	10
Changes in assets/liabilities related to operating activities		
Decrease (increase) of financial assets mandatorily measured at fair value through profit or loss	15,688	(39,932)
Decrease (increase) of notes receivable	(44,202)	(955)
Decrease (increase) of accounts receivable	(15,450)	51,463
Decrease (increase) of accounts receivable - related parties	16,222	25,717
Decrease (increase) of other receivables	(91)	(50)
Decrease (increase) of other receivables - related parties	32	(32)
Decrease (increase) in inventory	132,198	(99,119)
Decrease (increase) of biological assets	(7,044)	-
Decrease (increase) of prepaid expenses	(44)	2,895
Decrease (increase) of prepayments	(3,708)	8,804
Decrease (increase) of other current assets	343	(439)
Decrease (increase) in other operating assets	(7,974)	452
Increase (decrease) of notes payable	84	5
Increase (decrease) of accounts payable	67,289	28,717
Increase (decrease) of accounts payable - related parties	1,245	(1,283)
Increase (decrease) of other payables	(24,808)	8,774
Increase (decrease) in liability reserve	4,065	543
Advance receipts increase (decrease)	(1,457)	460
Increase (decrease) of other current liabilities	819	361
Increase (decrease) of net defined benefit liabilities	(4,077)	(3,489)
Cash inflow (outflow) from operations	220,420	281,602
Interest received	6,657	4,705
Dividends received	19,009	15,556
Interest paid	(759)	(1,046)
Income tax refunded (paid)	(57,170)	(27,618)
Net cash inflows (outflows) from operating activities	188,157	273,199
Cash flow from investing activities		
Acquisition of property, plant and equipment	(37,797)	(59,661)
Disposal of property, plant and equipment	100	253
Increase in refundable deposits	(10)	(306)
Decrease in refundable deposits	320	-
Increase of other non-current assets	(7,735)	(11,623)
Increase in prepayment for equipment	(61,748)	(39,792)
Net cash inflows (outflows) from investing activities	(106,870)	(111,129)
Cash flow from financing activities		
Increase in short-term borrowings	50,000	2,908
Decrease in short-term borrowings	(52,908)	(11,017)
Increase in guarantee deposits received	79	47
Decrease in guarantee deposits received	(900)	(904)
Lease principal repayment	(3,700)	(1,691)
Distribution of cash dividends	(123,954)	(70,831)
Other financing activities	290	865
Net cash inflows (outflows) from financing activities	(131,093)	(80,623)
Increase (decrease) in cash and cash equivalents in the current period	(49,806)	81,447
Opening balance of cash and cash equivalents	301,959	220,512
Closing balance of cash and cash equivalents	\$ 252,153	\$ 301,959

(Please refer to the Notes to the Parent Company Only Financial Statements)

Chairman

Manager

Head of Accounting

TAI ROUN PRODUCTS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
December 31, 2025 and 2024

Unit:NTD
thousands

Code	Assets	Notes	December 31, 2025		December 31, 2024		Code	Liabilities and equity	Notes	December 31, 2025		December 31, 2024	
			Amount	%	Amount	%				Amount	%	Amount	%
	Current assets							Current liabilities					
1100	Cash and cash equivalents	IV, VI(I)	\$ 309,593	9	\$ 405,624	12	2100	Short-term borrowings	IV, VI(XII)	\$ 494,446	14	\$ 294,681	8
1110	Financial assets at fair value through profit or loss - current	IV, VI(II)	95,004	3	110,135	3	2130	Contract liabilities - current	VI(XX)	249	-	343	-
1136	Financial assets measured at amortized cost - current	IV, VI(III)	20,000	-	14,000	-	2150	Payable notes		89	-	5	-
1150	Net notes receivable	4, 6(5)	312,672	9	247,424	7	2170	Accounts payable		157,490	5	89,243	3
1170	Net accounts receivable	4, 6(5)	404,614	12	416,794	12	2180	Accounts payable - related parties	VII	22,599	1	1,294	-
1180	Accounts receivable - related parties, net	IV, VI(V), VII	43,547	1	58,766	2	2200	Other payables		92,864	3	115,422	3
1200	Other receivables		290	-	355	-	2220	Other payables - related parties	VII.	-	-	59,500	2
1210	Other receivables - related parties	VII	-	-	32	-	2230	Current income tax liabilities	IV, VI(XXVI)	8,033	-	37,140	1
1220	Current income tax assets		17,090	-	-	-	2250	Provisions - current	IV, VI(XIII)	7,774	-	3,593	-
130x	Inventory	IV, VI(VI)	831,487	24	749,804	22	2280	Lease liabilities - current	IV	5,936	-	3,749	-
1410	Prepayments		130,589	4	136,495	4	2300	Other current liabilities		2,495	-	9,051	-
1470	Other current assets	VIII.	46,290	1	821	-	21xx	Total of current liabilities		791,975	23	614,021	17
11xx	Total current assets		2,211,176	63	2,140,250	62							
	Non-current assets							Non-current liabilities					
1517	Financial assets measured at fair value through other comprehensive income - non-current	IV, VI(IV)	4,010	-	-	-	2540	Long-term borrowings	IV, VI(XIV)	-	-	14,971	-
							2570	Deferred income tax liabilities	IV, VI(XXVI)	157,453	5	158,167	5
1535	Financial assets at amortized cost - non-current	IV, VI(III)	1,000	-	4,000	-	2580	Lease liabilities - non-current	IV	7,043	-	3,971	-
1600	Property, plant and equipment	IV, VI(VII), VIII	1,156,877	33	1,179,594	34	2600	Other non-current liabilities		12,279	-	20,641	1
1755	Right-of-use assets	IV, VI(VIII)	12,940	-	7,754	-		Total non-current liabilities		176,775	5	197,750	6
1760	Investment property, net	IV, VI(X)	36,034	1	17,945	1	2xxx	Total liabilities		968,750	28	811,771	23
1830	Biological assets - non-current	IV, VI(XI)	4,065	-	-	-		Equity					
1840	Deferred income tax assets	IV, VI(XXVI)	18,654	-	16,167	-		Equity attributable to owners of the parent company					
1900	Other non-current assets	VIII.	86,315	3	112,343	3		Share capital	IV, VI(XVI)				
15xx	Total non-current assets		1,319,895	37	1,337,803	38	3110	Common stock capital		1,770,779	50	1,770,779	51
							3200	Capital reserve	IV, VI(XVII)	24,880	1	24,115	1
								Retained earnings	IV, VI(XVIII)				
							3310	Legal reserve		152,720	4	133,084	4
							3320	Special reserves		263,408	8	264,543	7
							3350	Undistributed earnings (or loss to be compensated)		137,593	4	263,739	8
							3400	Other equity		(354)	-	-	-
							3500	Treasury stock	IV, VI(XIX)	(10,881)	-	(10,881)	-
							31xx	Total equity attributable to owners of the parent company		2,338,145	66	2,445,379	71
							36xx	Non-controlling interests	IV	224,176	6	220,903	6
							3xxx	Total equity		2,562,321	72	2,666,282	77
1xxx	Total assets		\$ 3,531,071	100	\$ 3,478,053	100		Total liabilities and equity		\$ 3,531,071	100	\$ 3,478,053	100

(Please refer to the Notes to the consolidated financial statements)

Chairman

Manager

Head of Accounting

TAI ROUN PRODUCTS CO., LTD. AND SUBSIDIARIES
Consolidated Statement of Comprehensive Income
January 1 to December 31, 2025 and 2024

Unit: NTD Thousands

Code	Item	Notes	2025		2024	
			Amount	%	Amount	%
4000	Operating revenue	IV, VI(XX)	\$ 3,328,123	100	\$ 3,480,143	100
5000	Operating cost	VI(VI)(XXI)	(2,978,175)	(89)	(2,922,425)	(84)
5950	Gross operating profit, net		349,948	11	557,718	16
	Operating expenses	VI(XXI)				
6100	Sales promotion expenses		(130,929)	(4)	(131,767)	(4)
6200	Administrative expenses		(170,283)	(5)	(169,596)	(5)
6450	Expected credit impairment loss		(15,071)	(1)	(4,150)	-
6000	Total operating expenses		(316,283)	(10)	(305,513)	(9)
6900	Operating profit		33,665	1	252,205	7
	Non-operating income and expenses					
7100	Interest revenue	VI(XXII)	9,336	-	6,875	-
7010	Other income	VI(XXIII)	20,568	1	19,365	1
7020	Other gains and losses	VI(XXIV)	2,787	-	16,586	-
7050	Financial cost	VI(XXV)	(8,028)	-	(3,960)	-
7000	Total non-operating income and expenses		24,663	1	38,866	1
7900	Net income before tax		58,328	2	291,071	8
7950	Income tax expense	IV, VI(XXVI)	15,100	1	55,306	2
8200	Net income for the period		43,228	1	235,765	6
	Other comprehensive income					
8310	Items not reclassified into profit or loss					
8311	Remeasurement of defined benefit plan	IV, VI(XV)	3,491	-	(13,796)	-
8316	Unrealized valuation gain or loss on investments in equity instruments measured at fair value through other comprehensive income	IV, VI(IV)	(990)	-	-	-
8349	Income tax related to items not subject to reclassification	IV, VI(XXVI)	(698)	-	2,759	-
8300	Net amount of other comprehensive income		1,803	-	(11,037)	-
8500	Total comprehensive income for the period		\$ 45,031	1	\$ 224,728	6
8600	Net profit (loss) attributable to:					
8610	Owners of the parent company (net profit/loss)		\$ 13,529	-	\$ 207,408	5
8620	Non-controlling interests (net profit/loss)		29,699	1	28,357	1
			\$ 43,228	1	\$ 235,765	6
8700	Total comprehensive income attributable to:					
8710	Shareholders of the parent company (comprehensive income)		\$ 15,955	-	\$ 196,357	5
8720	Non-controlling interests (comprehensive income)		29,076	1	28,371	1
			\$ 45,031	1	\$ 224,728	6
	Earnings per share	VI(XXVII)				
9750	Basic earnings per share (NTD)		\$ 0.08		\$ 1.18	
9850	Diluted earnings per share (NTD)		\$ 0.08		\$ 1.17	

(Please refer to the Notes to the consolidated financial statements)

Chairman

Manager

Head of Accounting

TAI ROUN PRODUCTS CO., LTD. AND SUBSIDIARIES

Consolidated Statement of Changes in Equity

January 1 to December 31, 2025 and 2024

Unit: NTD Thousands

	Equity attributable to owners of the parent company									
	Retained earnings					Other equity items		Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
	Common stock capital	Capital reserve	Legal reserve	Special reserves	Undistributed earnings (or losses to be covered)	Unrealized valuation gain or loss on financial assets measured at fair value through other comprehensive income	Treasury stock			
Balance as of January 1, 2024	\$ 1,770,779	\$ 22,972	\$ 119,627	\$ 263,864	\$ 152,349	\$ -	\$ (10,879)	\$ 2,318,712	\$ 215,426	\$ 2,534,138
Appropriation and distribution of earnings:										
Provision of legal reserve	-	-	13,457	-	(13,457)	-	-	-	-	-
Provision of special reserve	-	-	-	679	(679)	-	-	-	-	-
Common stock cash dividends	-	-	-	-	(70,831)	-	-	(70,831)	-	(70,831)
Changes in other capital reserves	-	865	-	-	-	-	-	865	-	865
Net profit for 2024	-	-	-	-	207,408	-	-	207,408	28,357	235,765
Other comprehensive income in 2024	-	-	-	-	(11,051)	-	-	(11,051)	14	(11,037)
Total comprehensive income for the period	-	-	-	-	196,357	-	-	196,357	28,371	224,728
When a subsidiary purchases shares of the parent company, it is deemed treasury stock	-	-	-	-	-	-	(72)	(72)	-	(72)
Subsidiary's disposal of parent company shares treated as treasury stock transaction	-	6	-	-	-	-	70	76	-	76
Dividend paid to subsidiaries to adjust capital reserve	-	272	-	-	-	-	-	272	-	272
Increase/decrease in non-controlling equity	-	-	-	-	-	-	-	-	(22,894)	(22,894)
Balance as of December 31, 2024	\$ 1,770,779	\$ 24,115	\$ 133,084	\$ 264,543	\$ 263,739	\$ -	\$ (10,881)	\$ 2,445,379	\$ 220,903	\$ 2,666,282
Balance as of January 1, 2025	\$ 1,770,779	\$ 24,115	\$ 133,084	\$ 264,543	\$ 263,739	\$ -	\$ (10,881)	\$ 2,445,379	\$ 220,903	\$ 2,666,282
Appropriation and distribution of earnings:										
Provision of legal reserve	-	-	19,636	-	(19,636)	-	-	-	-	-
Common stock cash dividends	-	-	-	-	(123,954)	-	-	(123,954)	-	(123,954)
Reversal of special reserve	-	-	-	(1,135)	1,135	-	-	-	-	-
Changes in other capital reserves	-	290	-	-	-	-	-	290	-	290
Net profit for 2025	-	-	-	-	13,529	-	-	13,529	29,699	43,228
Other comprehensive income in 2025	-	-	-	-	2,780	(354)	-	2,426	(623)	1,803
Total comprehensive income for the period	-	-	-	-	16,309	(354)	-	15,955	29,076	45,031
Dividend paid to subsidiaries to adjust capital reserve	-	475	-	-	-	-	-	475	-	475
Increase/decrease in non-controlling equity	-	-	-	-	-	-	-	-	(25,803)	(25,803)
Balance as of December 31, 2025	\$ 1,770,779	\$ 24,880	\$ 152,720	\$ 263,408	\$ 137,593	\$ (354)	\$ (10,881)	\$ 2,338,145	\$ 224,176	\$ 2,562,321

(Please refer to the Notes to the consolidated financial statements)

Chairman

Manager

Head of Accounting

TAI ROUN PRODUCTS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

January 1 to December 31, 2025 and 2024

Unit: NTD Thousands

	2025	2024
Cash flow from operating activities		
Net income before tax	\$ 58,328	\$ 291,071
Item of adjustment		
Income and expenses		
Depreciation expense	93,148	80,666
Amortization expense	14,008	12,104
Expected credit impairment loss (gain)	15,071	4,150
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	2,720	8
Interest expense	8,028	3,960
Interest revenue	(9,336)	(6,875)
Dividend income	(1,416)	(1,722)
Losses (gains) from the disposal and scrapping of property, plant and equipment	537	127
Loss (gain) on disposal of investment property	-	(15,380)
Other Items	-	10
Changes in assets/liabilities related to operating activities		
Decrease (increase) of financial assets mandatorily measured at fair value through profit or loss	12,411	(46,616)
Decrease (increase) of notes receivable	(65,248)	2,842
Decrease (increase) of accounts receivable	5,078	51,705
Decrease (increase) of accounts receivable - related parties	15,219	25,198
Decrease (increase) of other receivables	(124)	20,562
Decrease (increase) of other receivables - related parties	32	(32)
Decrease (increase) in inventory	(81,683)	(165,917)
Decrease (increase) of biological assets	(7,044)	-
Decrease (increase) of prepaid expenses	(198)	2,874
Decrease (increase) of prepayments	6,104	(84,061)
Decrease (increase) of other current assets	225	(470)
Decrease (increase) in other operating assets	(7,969)	472
Increase (decrease) of contract liabilities	(94)	104
Increase (decrease) of notes payable	84	5
Increase (decrease) of accounts payable	68,247	27,602
Increase (decrease) of accounts payable - related parties	21,305	(1,283)
Increase (decrease) of other payables	(23,508)	13,827
Increase (decrease) in liability reserve	4,181	558
Advance receipts increase (decrease)	(1,457)	234
Increase (decrease) of other current liabilities	930	606
Increase (decrease) of net defined benefit liabilities	(4,097)	(3,506)
Cash inflow (outflow) from operations	123,482	212,823
Interest received	9,525	6,656
Dividends received	1,416	1,722
Interest paid	(7,817)	(3,668)
Income tax refunded (paid)	(65,196)	(39,931)
Net cash inflows (outflows) from operating activities	61,410	177,602
Cash flow from investing activities		
Acquisition of financial assets measured at fair value through other comprehensive income	(5,000)	-
Acquisition of financial assets at amortized cost	(11,000)	(10,000)
Repayment at maturity of financial assets measured at cost after amortization	8,000	14,000
Acquisition of property, plant and equipment	(44,194)	(61,770)
Disposal of property, plant and equipment	189	253
Increase in refundable deposits	(1,310)	(306)
Decrease in refundable deposits	1,920	-
Acquisition of investment property	(354)	(867)
Disposal of investment property	-	15,483
Increase of other non-current assets	(7,735)	(11,623)
Increase in prepayment for equipment	(63,063)	(39,792)
Net cash inflows (outflows) from investing activities	(122,547)	(94,622)
Cash flow from financing activities		
Increase in short-term borrowings	552,903	314,401
Decrease in short-term borrowings	(353,138)	(190,737)
Borrowing of long-term loans	-	35,000
Repayment of long-term borrowings	(21,000)	(73,117)
Increase in guarantee deposits received	79	47
Decrease in guarantee deposits received	(900)	(1,354)
Decrease in other payables - related parties	(59,500)	-
Lease principal repayment	(5,251)	(3,135)
Distribution of cash dividends	(123,479)	(70,559)
Cost of repurchase of treasury shares	-	(72)
Disposal of treasury shares	-	76
Changes in non-controlling interests	(24,898)	(21,419)
Other financing activities	290	865
Net cash inflows (outflows) from financing activities	(34,894)	(10,004)
Increase (decrease) in cash and cash equivalents in the current period	(96,031)	72,976
Opening balance of cash and cash equivalents	405,624	332,648
Closing balance of cash and cash equivalents	\$ 309,593	\$ 405,624

(Please refer to the Notes to the consolidated financial statements)

Chairman

Manager

Head of Accounting

Ratification

Motion 2

proposed by the Board of Directors

Cause of motion: Ratification for motion the Company's 2025 Earnings Distribution Table.

Description: I. The Company's distributable amount in 2025 is NTD 133,180,042, with cash distribution of NTD 0.20 per share. Cash dividends paid to each shareholder are rounded down to the nearest NTD, and the fractional amount less than NTD 1 shall be recorded in other income of the Company.

II. Approval of requesting the shareholders' meeting to authorize the Board of Directors to determine the ex-dividend date, payment date and to handle other related matters.

III. The Earnings Distribution Table is attached for review.

Resolution:

TAI ROUN PRODUCTS CO., LTD.

2025 Earnings Distribution Table

Unit: NTD

Undistributed earnings at the beginning of the period	121,283,530
Other comprehensive income (remeasurements of defined benefit plan for 2025)	2,779,639
Net profit after tax	13,529,489
Total	137,592,658
Provision of legal reserve (10%)	(1,630,912)
Appropriation of special reserve (difference between the carrying amount and the market value of Tairoun shares held by Xin Jiang Jun)	(2,428,075)
Appropriation of special reserve (net reductions in other equity)	(353,629)
Earnings available for distribution in the current period	133,180,042
Distribution item	
Dividend to shareholders (NTD 0.20/share)	35,415,588
Undistributed earnings at the end of the period	97,764,454

Chairman:

Manager:

Head of Accounting:

Discussion

Motion 1

proposed by the Board of Directors

Cause of motion: Proposed amendments to the Company's "Procedures for Acquisition or Disposal of Assets," submitted for resolution.

Description: In line with the FSC's amendments to the "Regulations Governing the Acquisition or Disposal of Assets by Public Companies," the Company proposes to revise its "Procedures for Acquisition or Disposal of Assets." The comparison table of the amended provisions is hereby attached.

Resolution:

Tairoun Products Co., Ltd. Comparison Table for Partial Amendments to the "Procedures for Acquisition or Disposal of Assets"

Amended provisions	Current provisions	Description
Article 5 Announcement and reporting procedures: I. Where the Company acquires or disposes of assets under any of the following circumstances, it shall, based on the nature of the transaction and in accordance with the formats and content prescribed by the competent authority, file an announcement and report the relevant information on the website designated by the competent authority within two days from the date of occurrence of the event. (I) Acquisition or disposal of property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than property or right-of-use assets thereof with a related party, where the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT\$300 million or more. However, this shall not apply to the trading of domestic government bonds, bonds with repurchase or resale conditions, or the subscription or redemption of money market funds issued by domestic securities investment trust enterprises. (II) Conducting mergers, demergers, acquisitions, or share transfers. (III) Losses from engaging in derivatives trading reaching the maximum total or individual contract loss limits set forth in Article 14, Paragraph 4. (IV) Acquisition or disposal of	Article 5 Announcement and reporting procedures: I. Where the Company acquires or disposes of assets under any of the following circumstances, it shall, based on the nature of the transaction and in accordance with the formats and content prescribed by the competent authority, file an announcement and report the relevant information on the website designated by the competent authority within two days from the date of occurrence of the event. (I) Acquisition or disposal of property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than property or right-of-use assets thereof with a related party, where the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT\$300 million or more. However, this shall not apply to the trading of domestic government bonds, bonds with repurchase or resale conditions, or the subscription or redemption of money market funds issued by domestic securities investment trust enterprises. (II) Conducting mergers, demergers, acquisitions, or share transfers. (III) Losses from engaging in derivatives trading reaching the maximum total or individual contract loss limits set forth in Article 14, Paragraph 4. (IV) Acquisition or disposal of	In line with the amendments to the "Regulations Governing the Acquisition or Disposal of Assets by Public Companies," certain provisions are revised accordingly.

Amended provisions	Current provisions	Description
equipment for operational use or right-of-use assets thereof, where the counterparty is not a related party and the transaction amount meets any of the following thresholds: 1. For a public company with paid-in capital of less than NTD 10 billion, the transaction amount reaches NTD 500 million or more. 2. For a public company with paid-in capital of NTD 10 billion or more <u>but less than NT\$50 billion</u>, the transaction amount reaches NTD 1 billion or more. 3. <u>For a public company with paid-in capital of NTD 50 billion or more, the transaction amount reaches 5% or more of the Company's paid-in capital.</u> (V) Acquisition of property through self-owned land construction, leased land construction, joint construction with allocation of units, joint construction with profit-sharing, or joint construction with sales allocation, where the counterparty is not a related party and the Company's expected investment amount reaches NT\$500 million or more. (VI) <u>For a public company with paid-in capital of NTD 50 billion or more, trading in government bonds, ordinary corporate bonds, and general financial bonds not involving equity (excluding subordinated bonds) on a securities</u>	equipment for operational use or right-of-use assets thereof, where the counterparty is not a related party and the transaction amount meets any of the following thresholds: 1. For a public company with paid-in capital of less than NTD 10 billion, the transaction amount reaches NTD 500 million or more. 2. For a public company with paid-in capital of NTD 10 billion or more, the transaction amount reaches NTD 1 billion or more. (V) Acquisition of property through self-owned land construction, leased land construction, joint construction with allocation of units, joint construction with profit-sharing, or joint construction with sales allocation, where the counterparty is not a related party and the Company's expected investment amount reaches NT\$500 million or more.	

Amended provisions	Current provisions	Description
<u>exchange or at a securities firm's place of business, where such transaction does not fall under any of the provisos in Subparagraph 7 and the counterparty is not a related party, and the transaction amount reaches 5% or more of the Company's paid-in capital.</u> (VII) Asset transactions other than those referred to in the preceding six subparagraphs, disposal of claims by financial institutions, or investments in the China region, where the transaction amount reaches 20% of the Company's paid-in capital or NTD 300 million or more. However, the following circumstances are not subject to this limitation: 1. Trading of domestic government bonds or foreign government bonds with a credit rating not lower than the sovereign rating of Taiwan. 2. Securities trading conducted by professional investors on a securities exchange or at a securities firm's place of business, or subscription in the primary market of foreign government bonds or publicly offered ordinary corporate bonds and general financial bonds not involving equity (excluding subordinated bonds), or subscription or redemption of securities investment	(VI) Asset transactions other than those referred to in the preceding five subparagraphs, disposal of claims by financial institutions, or investments in the China region, where the transaction amount reaches 20% of the Company's paid-in capital or NTD 300 million or more. However, the following circumstances are not subject to this limitation: 1. Trading of domestic government bonds or foreign government bonds with a credit rating not lower than the sovereign rating of Taiwan. 2. Securities trading conducted by professional investors on a securities exchange or at a securities firm's place of business, or subscription in the primary market of foreign government bonds or publicly offered ordinary corporate bonds and general financial bonds not involving equity (excluding subordinated bonds), or subscription or redemption of securities investment	

Amended provisions	Current provisions	Description
trust funds or futures trust funds, or subscription or sell-back of exchange-traded notes, or securities subscribed by a securities firm as required for underwriting business or as a recommending securities firm for an emerging stock company in accordance with the regulations of the Taipei Exchange. 3. Trading of bonds with repurchase or resale conditions, or the subscription or redemption of money market funds issued by domestic securities investment trust enterprises. II. The transaction amount referred to in the preceding paragraph shall be calculated as follows: (I) Amount of each transaction. (II) The cumulative amount of transactions for acquisition or disposal of assets of the same nature with the same counterparty within one year. (III) The cumulative amount of acquisitions or disposals (calculated separately for acquisitions and disposals) of property or right-of-use assets thereof under the same development project within one year. (IV) The cumulative amount of acquisitions or disposals (calculated separately for acquisitions and disposals) of the same securities within one year. III. The term "within one year" as referred to in the preceding	trust funds or futures trust funds, or subscription or sell-back of exchange-traded notes, or securities subscribed by a securities firm as required for underwriting business or as a recommending securities firm for an emerging stock company in accordance with the regulations of the Taipei Exchange. 3. Trading of bonds with repurchase or resale conditions, or the subscription or redemption of money market funds issued by domestic securities investment trust enterprises. II. The transaction amount referred to in the preceding paragraph shall be calculated as follows: (I) Amount of each transaction. (II) The cumulative amount of transactions for acquisition or disposal of assets of the same nature with the same counterparty within one year. (III) The cumulative amount of acquisitions or disposals (calculated separately for acquisitions and disposals) of property or right-of-use assets thereof under the same development project within one year. (IV) The cumulative amount of acquisitions or disposals (calculated separately for acquisitions and disposals) of the same securities within one year. III. The term "within one year" as referred to in the preceding	

Amended provisions	Current provisions	Description
paragraph shall be calculated by counting backward for one year from the date of occurrence of the current transaction; any portion that has already been announced in accordance with these Procedures shall not be included again. IV. The Company shall, on a monthly basis, input the status of derivatives trading conducted by the Company and its subsidiaries that are not domestic public companies as of the end of the preceding month into the information reporting website designated by the competent authority, in the prescribed format, before the tenth day of each month. V. If any items required to be announced contain errors or omissions at the time of announcement and require correction, the Company shall refile and announce all items in full within two days from the date it becomes aware of such errors or omissions. VI. The Company shall retain relevant contracts, minutes, registers, appraisal reports, and opinion letters issued by CPAs, attorneys, or securities underwriters in connection with the acquisition or disposal of assets. Unless otherwise provided by other laws, such documents shall be kept for at least five years. VII. After a transaction has been announced and reported in accordance with Paragraph 1, if any of the following circumstances occurs, the Company shall, within two days from the date of occurrence of the event, file an announcement and report the relevant information on the website designated by the competent	paragraph shall be calculated by counting backward for one year from the date of occurrence of the current transaction; any portion that has already been announced in accordance with these Procedures shall not be included again. IV. The Company shall, on a monthly basis, input the status of derivatives trading conducted by the Company and its subsidiaries that are not domestic public companies as of the end of the preceding month into the information reporting website designated by the competent authority, in the prescribed format, before the tenth day of each month. V. If any items required to be announced contain errors or omissions at the time of announcement and require correction, the Company shall refile and announce all items in full within two days from the date it becomes aware of such errors or omissions. VI. The Company shall retain relevant contracts, minutes, registers, appraisal reports, and opinion letters issued by CPAs, attorneys, or securities underwriters in connection with the acquisition or disposal of assets. Unless otherwise provided by other laws, such documents shall be kept for at least five years. VII. After a transaction has been announced and reported in accordance with Paragraph 1, if any of the following circumstances occurs, the Company shall, within two days from the date of occurrence of the event, file an announcement and report the relevant information on the website designated by the competent	

Amended provisions	Current provisions	Description
authority: (I) Any amendment, termination, or rescission of the relevant contract originally executed for the transaction. (II) Failure to complete a merger, demerger, acquisition, or share transfer in accordance with the schedule specified in the contract. (III) Changes to the originally announced and reported content.	authority: (I) Any amendment, termination, or rescission of the relevant contract originally executed for the transaction. (II) Failure to complete a merger, demerger, acquisition, or share transfer in accordance with the schedule specified in the contract. (III) Changes to the originally announced and reported content.	

Discussion

Motion 2

proposed by the Board of Directors

Cause of motion: Proposed amendments to the Company's "Rules of Procedure for Shareholders' Meetings," submitted for resolution.

Description: In line with the Taiwan Stock Exchange's reference template for the "Rules of Procedure for Shareholders' Meetings" of OO Co., Ltd., the Company proposes to revise its "Rules of Procedure for Shareholders' Meetings." The comparison table of the amended provisions is hereby attached.

Resolution:

**Tairoun Products Co., Ltd. Comparison Table for Partial Amendments to the
"Rules of Procedure for Shareholders' Meetings"**

Amended provisions	Current provisions	Description
<u>Article 4-2</u> <u>The Company shall, 30 days prior to the annual general shareholders' meeting or 15 days prior to an extraordinary meeting, prepare electronic files of the notice of shareholders' meeting, proxy forms, the subject matters and explanatory materials of each motion, including those relating to approval matters, discussion matters, and the election or dismissal of directors and supervisors, as well as the shareholders' meeting handbook and supplementary meeting materials, and transmit them to MOPS. The Company shall, 15 days prior to the shareholders' meeting, prepare the shareholders' meeting handbook and supplementary meeting materials for that meeting, make them available for shareholders to review at any time, and place them at the Company and at the professional shareholder services agent appointed by the Company.</u>	(None)	In line with the Taiwan Stock Exchange's reference template for the "Rules of Procedure for Shareholders' Meetings" of OO Co., Ltd., Article 4-2 is newly added following Article 3 to provide for the reporting requirements of shareholders' meeting materials.
Article 16 Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. The results of the voting shall be announced on the spot and recorded. <u>Where the shareholders' meeting includes an election of directors with the number of candidates exceeding the number of seats to be filled, a proposal for dismissal of directors, or any proposal as provided under Article 185 and Article 316 of the Company Act, Article 18, Article 27, Article 29, and Article 35 of the Business Mergers and Acquisitions Act, or Article 24, Paragraph 2, Subparagraph 1 and Article 26, Paragraph 2, Subparagraph 1 of the Financial Holding Company Act, it is advisable for the chairperson to designate an attorney, CPA, or notary public to serve as scrutineer.</u>	Article 16 Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. The results of the voting shall be announced on the spot and recorded.	In line with the Taiwan Stock Exchange's reference template for the "Rules of Procedure for Shareholders' Meetings" of OO Co., Ltd., provisions relating to scrutineers and vote counters are newly added to Article 13.

<u>Persons designated by the chairperson pursuant to the preceding paragraph shall not be those responsible for matters related to the voting procedures, nor may they be directors, managers, or employees of the Company or its affiliates.</u> <u>Scrutineers shall supervise the voting and vote-counting process and sign the tabulation of election results.</u> <u>If scrutineers are designated in accordance with Paragraph 2, the minutes of the shareholders' meeting shall state the names and titles of the scrutineers.</u>		
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Extraordinary motions

Appendix I

Tairoun Products Co., Ltd. - Articles of Incorporation

Chapter 1 General Provisions

Article 1 The Company shall be incorporated and Tairoun Products Co., Ltd. in accordance with the Company Act.

Article 2 The businesses operated by the Company are as follows:

1. A301030 Aquaculture
2. A401010 Livestock Farm Management
3. A401020 Raising of Livestock and Poultry
4. C102010 Manufacture of Dairy Products
5. C103050 Manufacturing of Canning, Freezing, Dehydration, Pickled of Food
6. C104010 Manufacturing of Sugar Confectionery
7. C104020 Manufacture of Bakery and Steam Products
8. C105010 Edible Oil and Fat Manufacturing
9. C106010 Grain Husking, Manufacture of Grain Mill Products, Starches and Starch Products
10. C108010 Carbohydrate Manufacturing
11. C110010 Beverage Manufacturing
12. C199990 Manufacture of Other Food Products Not Elsewhere Classified
13. C201010 Feed Manufacturing
14. C802100 Cosmetics Manufacturing
15. CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing
16. CC01080 Electronics Components Manufacturing
17. CE01010 General Instrument Manufacturing
18. E801010 Indoor Decoration
19. F101040 Wholesale of Livestock and Poultry
20. F101050 Wholesale of Fishery Products
21. F101990 Wholesale of Other Agricultural, Livestock and Aquatic Products
22. F103010 Wholesale of Animal Feeds
23. F105050 Wholesale of Furniture, Bedding Kitchen Utensils and Fixtures
24. F106020 Wholesale of Daily Commodities
25. F106050 Wholesale of Ceramic and Glassware
26. F107020 Wholesale of Dyes and Pigments
27. F109070 Wholesale of Culture, Education, Musical Instruments and Educational Entertainment Supplies
28. F111090 Wholesale of Building Materials
29. F113020 Wholesale of Electrical Appliances

30. F113070 Wholesale of Telecommunication Apparatus
31. F119010 Wholesale of Electronic Materials
32. F201020 Retail Sale of Livestock Products
33. F201030 Retail Sale of Fishery Products
34. F202010 Retail Sale of Feeds
35. F203010 Retail Sale of Food, Grocery and Beverage
36. F205040 Retail Sale of Furniture, Bedding Kitchen Utensils and Fixtures
37. F206020 Retail Sale of Daily Commodities
38. F207020 Retail Sale of Dyes and Pigments
39. F208050 Retail Over-the-counter drugs class B
40. F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies
41. F211010 Retail Sale of Building Materials
42. F213010 Retail Sale of Electrical Appliances
43. F213060 Retail Sale of Telecommunication Apparatus
44. F219010 Retail Sale of Electronic Materials
45. F301020 Supermarkets
46. G801010 Warehousing
47. H701040 Specific Area Development
48. H701060 New Towns, New Community Development
49. I503010 Landscape and Interior Designing
50. J701020 Amusement Parks
51. J701040 Recreational Activities Venues
52. J801030 Athletics and Recreational Sports Stadium
53. J901020 Regular Hotels
54. C114010 Food Additives Manufacturing
55. F121010 Wholesale of Food Additives
56. F221010 Retail of Food Additives
57. F401010 International Trade
58. F501060 Restaurants
59. H701010 Housing and Building Development and Rental
60. H703100 Real Estate Leasing
61. J802010 Sports Training
62. J801010 Golf Course
63. A401040 Livestock Service
64. C801081 Ingestible Ethyl Alcohol Manufacturing
65. C113011 Alcoholic Manufacturing
66. F102030 Wholesale of Tobacco and Alcohol

- 67. F102180 Wholesale of Alcohol
- 68. F203020 Retail Sale of Tobacco and Alcohol
- 69. F203030 Retail Sale of Alcohol
- 70. F401171 Alcohol Products Importation
- 71. D101060 Self-usage power generation equipment utilizing renewable energy industry
- 72. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3 The Company is headquartered in Taipei City and may, if necessary, establish branches or offices at various locations in Taiwan and overseas by resolution of the Board of Directors.

Article 4 The total amount of the Company's reinvestment may exceed 40% of the paid-in capital.

Chapter 2 Shares

Article 5 The Company may provide guarantees to external parties due to business needs.

Article 6 The total capital of the Company shall be NTD 21 billion, divided into 210 million shares of NTD 10 per share, issued in installments.

Article 7 The shares of the Company shall be registered. The shares shall be issued after being numbered with the signature or seal of the director representing the Company, stating the terms and conditions specified in Article 162 of the Company Act, and then being issued by the certification authority authorized by the competent authority.

The shares issued by the Company may be exempted from printing share certificates, but shall be registered with a centralized securities depository.

Article 8 Shareholders shall fill in the seal card and deliver it to the Company for custody. All shareholders' dividends or bonuses or any written communication with the Company shall be subject to the seal. If the seal as set forth in the preceding paragraph is lost, damaged or stolen, the shareholder shall fill in the Application Form for Loss of Seal, stating the full number of the share certificates held by the shareholder, along with clear copies of the identity document together with the new seal card and share certificates, to the Company for registration and approval. The seal may be replaced only after verification and approval. The new seal takes effect on the next day after being identified and registered.

Article 9 Matters with regard to the transfer, gift, creation of pledge, removal of pledge, loss, or destruction of shares shall be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies".

Article 10 The Company may charge a handling fee for the transfer of shares or for replacement of lost shares.

Article 11 The transferring of shares shall cease within 60 days prior to the convening date of a regular shareholders meeting, or within 30 days prior to the convening date of a special shareholders meeting, or within 5 days prior to the target date fixed by the Company for distribution of dividends, bonus or other benefits.

Article 11-1 Taiwan Depository & Clearing Corporation shall, upon request, consolidate and replace by high-denomination securities.

Chapter 3 Shareholders' Meeting

- Article 12 The shareholders meeting is divided into annual general shareholders' meetings and extraordinary shareholders' meetings. The annual general shareholders' meeting shall be convened within six months after the end of each business year upon notification by the Board of Directors 30 days in advance of the meeting; for a extraordinary shareholders' meeting, if necessary, it shall be convened 15 days before the meeting and nomination thereof.
- Article 12-1 The Company may hold shareholders' meetings via video conference or in other manners as announced by the central competent authority. If the meeting is held by videoconference, the directors participating in the videoconference shall be deemed to have attended the meeting in person.
- Article 13 If a shareholder is unable to attend a shareholders' meeting for any reason, a proxy may be issued, in accordance with the law to appoint a proxy, to attend the shareholders' meeting. The matters concerning the use of the proxy should be handled in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies".
- Article 14 The shareholders' meeting shall be chaired by the Chairman. When the Chairman is on leave or for any reason is unable to exercise the powers of the Chairman, the Vice Chairman shall do so in place of the Chairman, or, if there is no Vice Chairman or the Vice Chairman also is on leave or for any reason is unable to act, by a managing director designated by the Chairman, or, if there is no managing director, by a director designated thereby, or, if the Chairman does not make such a designation, by a managing director or director elected by and from among themselves.
- Article 15 Shareholders of the Company are entitled to one vote per share.
- Article 16 Except as otherwise provided by the Company Act, resolutions of the shareholders meeting shall be attended by shareholders who represent more than one-half of the total number of issued and outstanding shares.
- Article 17 Shareholders' meeting resolutions shall be compiled into detailed minutes, signed or sealed by the meeting chairperson, and disseminated to each shareholder by no later than 20 days after the meeting. Meeting minutes mentioned in the preceding paragraph may be disseminated by way of public announcement. The meeting minutes shall record the year, month, day, and place of the meeting for resolutions. The minutes shall be kept in the Company together with the attendance book for signatures and the proxy forms.

Chapter 4 Directors and Audit Committee

- Article 18 The Company shall have 9 to 13 Directors, who shall be nominated from the eligible candidates by the shareholders' meeting. The term of office of the directors is 3 years and they may be eligible for re-election.
- Among the directors in the preceding paragraph, at least three are independent directors, and more than half of the independent directors shall not serve more than three consecutive terms. The independent directors' professional qualifications, shareholdings, restrictions on concurrent positions held, methods of nomination and election, and other matters to be complied with shall be subject to the relevant regulations of the competent authority.
- The election of directors shall be conducted in accordance with the provisions of the Company Act. Independent directors and non-independent directors shall be elected together, and the elected seats shall be calculated separately. The remuneration to the chairman, directors and independent directors shall be based on their level of

participation and contribution to the Company's operations, and shall refer to the industry standard, and shall be authorized to be determined by the Board of Directors. The Company may purchase liability insurance policies to insure its directors against claims and legal responsibilities that arise during the term of service due to the services rendered in accordance with the law.

- Article 18-1 The Company has established the Audit Committee. The functions of previous supervisors under the Company Act, Securities and Exchange Act and other relevant laws and regulations are performed by the Audit Committee. The Audit Committee shall consist fully of independent directors. The number of members of the Audit Committee shall not be less than three, one of whom shall be the convener and at least one of whom shall have accounting or financial expertise. The duties, organizational rules, exercise of powers and other matters to be complied with by the Audit Committee shall be handled in accordance with the relevant regulations of the competent authority.
- Article 19 The Board of Directors shall be organized by the directors, and shall carry out all business of the Company in accordance with the Articles of Incorporation and the resolutions of shareholders' meetings. In accordance with Article 208 of the Company Act, a Chairman shall be elected from among themselves by a majority vote of the directors at a meeting attended by at least two-thirds of the directors. When necessary, one person from each other can be elected as the Vice Chairman in the same way. The chairman shall internally preside over the shareholders' meeting and the meeting of the Board of Directors, and shall externally represent the Company. When the chairman is on leave or for any reason is unable to exercise the powers of the chairman, the vice chairman shall do so in place of the chairman, or, if there is no vice chairman or the vice chairman also is on leave or for any reason is unable to act, by a managing director designated by the chairman, or, if there is no managing director, by a director designated thereby, or, if the chairman does not make such a designation, by a managing director or director elected by and from among themselves.
- Article 20 (Deleted)
- Article 21 Transportation allowances of directors shall be paid on a monthly basis regardless of the Company's profit or loss, and the amount shall be determined separately by the resolution of the Board of Directors.
- Article 22 Article 14 The Company's operating policy and other important matters shall be determined by the Board of Directors. Board meetings shall be chaired by the chairman. When the chairman is on leave or for any reason is unable to exercise the powers of the chairman, the vice chairman shall do so in place of the chairman, or, if there is no vice chairman or the vice chairman also is on leave or for any reason is unable to act, by a managing director designated by the chairman, or, if there is no managing director, by a director designated thereby, or, if the chairman does not make such a designation, by a managing director or director elected by and from among themselves. The notice under the preceding paragraph shall specify the cause and be given in writing, by email or by fax.
- Article 23 Except as otherwise provided by the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. The attendance list bearing the signatures of directors present at the meeting shall be kept in the Company. A director may appoint another director to attend a board meeting

Chapter 5 Managers

Article 24 The Company may have one general manager and several deputy general managers, assistant general managers, and managers. The appointment, dismissal, and remuneration of whom shall be determined by the Board of Directors.

Chapter 6 Accounting

Article 25 The Company's Board of Directors shall prepare the following reports for the fiscal year starting January 1 to December 31 of each year, to be submitted to the Audit Committee for review 30 days before the regular shareholders' meeting. A request for ratification shall be submitted at the annual general meeting.

- I. Business report.
- II. Financial statements
- III. Motions for earnings distribution or loss allocation.

Article 26 Shareholders or directors of the Company who act as managers or employees of the Company shall be treated as if they were regular employees.

Article 27 The Company shall allocate the pre-tax profits, after deducting the amount designated for employee remuneration and director remuneration and any amount reserved for covering losses, with at least 3.5% set aside for employee remuneration and no more than 5% for director remuneration (which shall include no less than 1% to be distributed to entry-level employees). The decision on the distribution ratio between director and employee remuneration, and whether the employee remuneration is to be paid in stock or cash, shall be made by a resolution of the Board of Directors with at least two-thirds of directors present and with the approval of a majority of the directors in attendance, and reported at the shareholders' meeting.

Article 27-1 The industry in which the Company operates is subject to rapid changes, and the Company is currently in a stage of stable growth within its corporate life cycle. Taking into consideration the investment environment, business diversification, funding requirements, and capital budgeting, while also safeguarding shareholders' rights and ensuring long-term financial planning, if the Company generates earnings in the annual final accounts, such earnings shall be distributed in the following order:

- I. Payment of taxes
- II. Offsetting accumulated losses
- III. Appropriation of 10% as legal reserve; however, this requirement shall not apply when the accumulated legal reserve has reached the total capital of the Company.
- IV. Appropriation or reversal of special reserve in accordance with laws or the requirements of competent authorities.
- V. The remaining earnings, combined with the accumulated undistributed earnings from prior periods, shall be allocated as shareholder dividends. The Board of Directors shall draft a distribution proposal, which shall be submitted to the shareholders' meeting for resolution.

The distribution of shareholder dividends may be made in cash or stock. The ratio of cash dividends distributed shall not be less than 10% of the total amount of shareholder dividends. The Company has no distributable earnings, or although there are earnings, the amount of earnings is significantly lower than the earnings previously distributed. Alternatively, based on factors such as the Company's financial condition, business, and operations, the Company may distribute all or part of the reserves in accordance with laws or regulations set by the competent authorities. The distributable earnings and reserves mentioned above, when distributed in cash, are authorized to be decided by the board of directors with the approval of more than two-thirds of the directors present and the majority of the attending directors, and shall be reported to the

shareholders' meeting. When distribution is made through the issuance of new shares, it shall be handled in accordance with the regulations and resolved by the shareholders' meeting.

Chapter 7 Supplementary Provisions

Article 28 The Company's organizational charter and work rules shall be established by resolution of the Board of Directors.

Article 29 Matters not provided for in the Articles of Incorporation shall be governed by the Company Act.

Article 30 The Articles of Incorporation were established on March 1, 1969, and took effect upon the approval and registration of the report to the competent authority.

The 1st amendment was made on July 15, 1970

The 2nd amendment was made on December 26, 1971

The 3rd amendment was made on May 26, 1973

The 4th amendment was made on April 20, 1974

The 5th amendment was made on April 26, 1975

The 6th amendment was made on March 27, 1976

The 7th amendment was made on August 9, 1976

The 8th amendment was made on August 30, 1977

The 9th amendment was made on April 17, 1978

The 10th amendment was made on April 18, 1979

The 11th amendment was made on August 25, 1979

The 12th amendment was made on May 11, 1981

The 13th amendment was made on April 27, 1988

The 14th amendment was made on March 10, 1990

The 15th amendment was made on July 31, 1990

The 16th amendment was made on March 14, 1991

The 17th amendment was made on May 9, 1992

The 18th amendment was made on June 26, 1993

The 19th amendment was made on May 24, 1994

The 20th amendment was made on May 29, 1995

The 21st amendment was made on June 6, 1996

The 22nd amendment was made on May 31, 1997

The 23rd amendment was made on May 6, 2000

The 24th amendment was made on May 11, 2001

The 25th amendment was made on June 10, 2002

The 26th amendment was made on June 10, 2005

The 27th amendment was made on June 14, 2010

The 28th amendment was made on June 19, 2012

The 29th amendment was made on June 19, 2014

The 30th amendment was made on June 15, 2015
The 31st amendment was made on June 14, 2016
The 32nd amendment was made on June 20, 2020
The 33rd amendment was made on August 5, 2021
The 34th amendment was made on June 29, 2022
The 35th amendment was made on June 21, 2023
The 36th amendment was made on June 25, 2025

Appendix II

Tairoun Products Co., Ltd. - Rules and Procedures of Shareholders' Meeting (before amendments)

Amended by the Shareholders' Meeting in 2022

- Article 1 Shareholders' meetings of the Company shall be conducted in accordance with these Rules, unless otherwise provided by laws and regulations.
- Article 2 The Company shall furnish the attending shareholders (or proxies) with an attendance book to sign, or attending shareholders (or proxies) may hand in a sign-in card in lieu of signing in.
- Article 3 Attendance at shareholders' meetings shall be calculated based on numbers of shares.
- Article 4 The venue for a shareholders' meeting shall be the premises of the Company's headquarters, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.
- Article 4-1 The Company may hold shareholders' meetings via video conference or in other manners as announced by the central competent authority. If the meeting is held by videoconference, the directors participating in the videoconference shall be deemed to have attended the meeting in person.
- The conditions, operating procedures, and other matters required for convening a video conference shall be handled in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies.
- Article 5 If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the chairman. When the chairman of the board is on leave or for any reason is unable to exercise the powers of the chairman, the vice chairman shall do so in place of the chairman, or, if there is no vice chairman or the vice chairman also is on leave or for any reason is unable to act, by a managing director designated by the chairman, by a director designated thereby, or, if the chairman does not make such a designation, by a managing director or director elected by and from among themselves.
- If a shareholders' meeting is convened by a party with power to convene but other than the Board of Directors, the convening party shall chairperson the meeting.
- Article 6 The Company may appoint its appointed lawyers, certified public accountants or related personnel to attend shareholders' meetings in a non-voting capacity.
- The service personnel of the shareholders' meeting shall wear identification badges or armbands.
- Article 7 The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures.
- The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.
- Where a shareholders' meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.
- The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

- Article 8 At the appointed meeting time, when the attending shareholders represent a majority of the total number of issued shares, the chairperson shall call the meeting to order. However, when the attending shareholders (or proxies) do not represent a majority of the total number of issued shares, the chairperson may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders (or proxies) represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act.
- When, prior to conclusion of the meeting, the attending shareholders (or proxies) represent a majority of the total number of issued shares, the chairperson may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.
- Article 9 If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.
- The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the Board of Directors. The chairperson may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting.
- After the meeting is adjourned, shareholders shall not elect a new chairman to continue the meeting at the original site or at another venue. However, if the chairperson declares the meeting adjourned in violation of the rules of procedure, a new chairperson may be elected by a majority of the voting rights represented by the shareholders attending the said meeting to continue the proceedings of the meeting.
- Article 10 In addition to the motions listed in the meeting agenda, the shareholders (or proxies) shall have other shareholders (or proxies) to second the amendment to the original motion, the substitute motion, or other motions proposed by way of extraordinary motions, and the same shall apply to the changes in the meeting agenda and adjournment.
- Article 11 Before speaking, an attending shareholder (or proxy) must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.
- A shareholder (or proxy) in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content that has been confirmed shall prevail.
- When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chairperson and the shareholder that has the floor; the chairperson shall stop any violation.
- Article 12 Except with the consent of the chairperson, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes.
- If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chairperson may terminate the speech.
- Article 13 When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.
- When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the

same proposal.

- Article 14 After an attending shareholder has spoken, the chairperson may respond in person or direct relevant personnel to respond.
- Article 15 When the chairperson at the meeting is of the opinion that a matter has been sufficiently discussed to a degree of putting to a vote, the chairperson may announce the discussion closed and bring the matter to vote.
- Article 16 Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. The results of the voting shall be announced on the spot and recorded.
- Article 17 Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders (or proxies).
- Article 18 When a meeting is in progress, the chairperson may announce a break based on time considerations.
- Article 19 When there is an amendment or an alternative to a proposal, the chairperson shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
- Article 20 The chairperson may direct proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor".
- Article 21 Any matters not specified in these Rules shall be governed by the Company Act, the meeting regulations promulgated by the Ministry of the Interior, and the Company's Articles of Incorporation.
- Article 22 These Rules and any amendments hereto shall take effect after being approved by the shareholders' meeting.

Appendix III

Tairoun Products Co., Ltd. Procedures for Acquisition or Disposal of Assets (Before Amendment)

Amended by the Shareholders' Meeting in 2013
Amended by the Shareholders' Meeting in 2014
Amended by the Shareholders' Meeting in 2017
Amended by the Shareholders' Meeting in 2019
Amended by the Shareholders' Meeting in 2022

Chapter 1 General Provisions

Article 1 Purpose and legal basis:

To strengthen asset management and enhance information disclosure, these Procedures are revised in accordance with the "Regulations Governing the Acquisition or Disposal of Assets by Public Companies."

Article 2 Scope of assets:

- I. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing funds, depositary receipts, call (put) warrants, beneficiary securities, and asset-backed securities.
- II. Property (including land, buildings and structures, investment property, and inventories of construction companies) and equipment.
- III. Membership card.
- IV. Intangible assets such as patent rights, copyrights, trademark rights, and franchise rights.
- V. Right-of-use assets.
- VI. Claims of financial institutions (including receivables, purchased foreign exchange and discounting, loans, and overdue receivables).
- VII. Derivatives: Refers to forward contracts, option contracts, futures contracts, leveraged margin contracts, swap contracts, combinations of the foregoing contracts, or hybrid contracts or structured products with embedded derivatives, the value of which is derived from specific interest rates, financial instrument prices, commodity prices, exchange rates, price or rate indices, credit ratings or credit indices, or other variables. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term lease contracts, or long-term purchase (sales) contracts.
- VIII. Assets acquired or disposed of through mergers, demergers, acquisitions, or share transfers in accordance with laws: Refers to assets acquired or disposed of through mergers, demergers, or acquisitions conducted pursuant to the Business Mergers and Acquisitions Act, the Financial Holding Company Act, the Financial Institutions Merger Act, or other applicable laws, or through the issuance of new shares to acquire shares of another company in accordance with Article 156-3 of the Company Act (hereinafter referred to as share transfers).
- IX. Other important assets.

Article 3 Evaluation procedures:

- I. The acquisition or disposal of long-term and short-term securities investments or engagement in derivatives trading by the Company shall be subject to analysis of related benefits and assessment of potential risks by the finance department; the acquisition or disposal of property and other assets shall be preceded by capital expenditure plans prepared by each relevant unit, including feasibility assessments of the purpose of acquisition or disposal and expected benefits. In the case of acquiring property from a related party, the reasonableness of the transaction terms and other matters shall also be evaluated in accordance with Chapter 2 of these Procedures.
- II. For the acquisition or disposal of securities by the Company, the most recent financial statements of the target company audited or reviewed by a CPA, or other relevant information, shall be obtained prior to the date of occurrence of the transaction as a reference for evaluating the transaction price. In addition, where the transaction amount reaches 20% of the Company's paid-in capital or NTD 300 million or more, a CPA shall be engaged prior to the date of occurrence of the transaction to provide an opinion on the reasonableness of the transaction

- price. However, this shall not apply where the securities have publicly quoted prices in an active market or where otherwise provided by the Financial Supervisory Commission.
- III. Where the Company acquires or disposes of intangible assets or right-of-use assets thereof, or membership certificates, and the transaction amount reaches 20% of the Company's paid-in capital or NTD 300 million or more, a CPA shall be engaged prior to the date of occurrence of the transaction to provide an opinion on the reasonableness of the transaction price, except for transactions with domestic government agencies.
 - IV. Where the Company acquires or disposes of property and equipment and the transaction amount reaches 20% of the Company's paid-in capital or NTD 300 million or more, an objective and impartial professional appraiser shall be engaged in advance to issue an appraisal report, and the procedures for asset appraisal under these Procedures shall be followed. However, this shall not apply to transactions with government agencies, self-owned land construction, leased land construction, or the acquisition or disposal of machinery and equipment for operational use.
 - V. When the Company conducts a merger, demerger, acquisition, or share transfer, it shall, prior to convening the Board of Directors to pass a resolution, engage a CPA, attorney, or securities underwriter to provide an opinion on the reasonableness of the share exchange ratio, acquisition price, or the cash or other property to be distributed to shareholders, and submit such opinion to the Board of Directors for discussion and approval.
 - VI. The methods for determining the price of the Company's acquisition or disposal of assets and the reference basis therefor shall, in addition to taking into account professional appraisals and the opinions of experts such as CPAs as provided above, be handled in accordance with the following circumstances:
 - (I) The acquisition or disposal of securities traded on a centralized securities exchange market or at a securities over-the-counter trading center shall be determined based on the prevailing equity or bond prices at the time of the transaction.
 - (II) The acquisition or disposal of securities not traded on a centralized securities exchange market or at a securities over-the-counter trading center shall take into account factors such as net asset value per share, technological capabilities and profitability, future development potential, market interest rates, bond coupon rates, and the creditworthiness of the debtor, and shall be determined with reference to the most recent transaction prices at the time.
 - (III) The acquisition or disposal of membership cards shall take into account the benefits that may be generated and be determined with reference to the most recent transaction prices at the time; the acquisition or disposal of intangible assets such as patent rights, copyrights, trademark rights, and franchise rights shall be determined with reference to international or market practices, useful lives, and their impact on the Company's technology and operations.
 - (IV) The acquisition or disposal of property and other fixed assets shall be determined with reference to publicly announced current values, assessed current values, actual transaction prices of nearby properties, carrying amounts, supplier quotations, and other relevant factors. Where property is acquired from a related party, the methods set forth in Chapter II of these Procedures shall first be applied to calculate and assess whether the transaction price is reasonable.
 - (V) Engagement in derivatives trading shall take into account factors such as futures market conditions, exchange rate trends, and interest rate movements.
 - (VI) In conducting mergers, demergers, acquisitions, or share transfers, factors such as business nature, net asset value per share, asset value, technological capabilities and profitability, production capacity, and future growth potential shall be taken into account.

Article 4 Operating procedures:

- I. Authorization limits and levels
 - (I) Marketable securities: The President is authorized to conduct transactions within the limits set forth in Article 7 of these Procedures. Where the transaction meets the announcement and reporting thresholds under Article 5, it shall be submitted to the Chairman for ratification on the following day and subsequently reported to the most recent Board of

Directors meeting for acknowledgment. However, where the acquisition or disposal involves stocks, corporate bonds, or privately placed securities not traded on a centralized securities exchange market or at a securities over-the-counter trading center, and the transaction amount reaches the announcement and reporting thresholds, such transaction shall be subject to prior approval by the Board of Directors before being carried out. In addition, investments in China shall be subject to approval by the shareholders' meeting or be carried out by the Board of Directors under authorization from the shareholders' meeting, and may only be implemented after obtaining approval from the Investment Commission of the Ministry of Economic Affairs.

(II) Derivatives trading

1. Hedging transactions: Based on changes in the Company's operating revenue and risk exposure, personnel designated by the Chairman are authorized to conduct transactions with a single or cumulative position of up to USD 1 million (or equivalent in other currencies). Transactions exceeding USD 1 million shall require approval from the Chairman prior to execution.
2. Non-hedging transactions: To mitigate risk, transactions with a single or cumulative position of up to USD 1 million (or equivalent in other currencies) shall require approval from the Chairman; transactions exceeding USD 1 million shall require approval from the Board of Directors prior to execution.
3. To ensure that the Company's authorization aligns with the corresponding supervision and control of banks, the authorized trading personnel must notify the banks.
4. Derivatives transactions conducted in accordance with the aforementioned authorization shall be subsequently reported to the Board of Directors.

(III) Acquisition of property from a related party: Relevant documents shall be prepared in accordance with Chapter II of these Procedures and submitted to the Audit Committee and the Board of Directors for approval prior to execution.

(IV) Mergers, demergers, acquisitions, or share transfers: Relevant procedures shall be carried out and necessary documents prepared in accordance with Chapter 4 of these Procedures. Among these, mergers, demergers, and acquisitions shall be subject to approval by the shareholders' meeting before execution; however, this shall not apply where, pursuant to other laws, a shareholders' meeting resolution is not required. In addition, share transfers shall be subject to approval by the Board of Directors before execution.

(V) Others: Transactions shall be handled in accordance with the operating procedures stipulated under the internal control system and authorization limits. Where the transaction amount reaches the announcement and reporting thresholds under Article 5, except for the acquisition or disposal of machinery and equipment for operational use, which may be submitted to the Board of Directors for subsequent ratification, all other transactions shall be subject to prior approval by the Board of Directors. Where any matter prescribed under Article 185 of the Company Act is involved, it shall be subject to prior approval by the shareholders' meeting.

II. Executing units and transaction procedures

The execution units for the Company's long-term and short-term securities investments and derivatives trading are the finance department and personnel designated by the Chairman; the execution units for property and other assets are the user departments and relevant responsible units; mergers, demergers, acquisitions, or share transfers shall be carried out by units designated by the Chairman. After the acquisition or disposal of assets has been evaluated and approved in accordance with regulations, the execution unit shall carry out transaction procedures such as contract execution, payment and receipt, delivery, and acceptance, and shall handle the processes in accordance with the relevant operating procedures under the internal control system based on the nature of the assets. In addition, acquisition of property from related parties, engagement in derivatives trading, and mergers, demergers, acquisitions, or share transfers shall be handled in accordance with Chapters II to IV of these Procedures.

Article 5 Announcement and reporting procedures:

- I. Where the Company acquires or disposes of assets under any of the following circumstances, it shall, based on the nature of the transaction and in accordance with the formats and content

prescribed by the competent authority, file an announcement and report the relevant information on the website designated by the competent authority within two days from the date of occurrence of the event.

- (I) Acquisition or disposal of property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than property or right-of-use assets thereof with a related party, where the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT\$300 million or more. However, this shall not apply to the trading of domestic government bonds, bonds with repurchase or resale conditions, or the subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
 - (II) Conducting mergers, demergers, acquisitions, or share transfers.
 - (III) Losses from engaging in derivatives trading reaching the maximum total or individual contract loss limits set forth in Article 14, Paragraph 4.
 - (IV) Acquisition or disposal of equipment for operational use or right-of-use assets thereof, where the counterparty is not a related party and the transaction amount meets any of the following thresholds:
 - 1. For a public company with paid-in capital of less than NTD 10 billion, the transaction amount reaches NTD 500 million or more.
 - 2. For a public company with paid-in capital of NTD 10 billion or more, the transaction amount reaches NTD 1 billion or more.
 - (V) Acquisition of property through self-owned land construction, leased land construction, joint construction with allocation of units, joint construction with profit-sharing, or joint construction with sales allocation, where the counterparty is not a related party and the Company's expected investment amount reaches NT\$500 million or more.
 - (VI) Asset transactions other than those referred to in the preceding five subparagraphs, disposal of claims by financial institutions, or investments in the China region, where the transaction amount reaches 20% of the Company's paid-in capital or NTD 300 million or more. However, the following circumstances are not subject to this limitation:
 - 1. Trading of domestic government bonds or foreign government bonds with a credit rating not lower than the sovereign rating of Taiwan.
 - 2. Securities trading conducted by professional investors on a securities exchange or at a securities firm's place of business, or subscription in the primary market of foreign government bonds or publicly offered ordinary corporate bonds and general financial bonds not involving equity (excluding subordinated bonds), or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or sell-back of exchange-traded notes, or securities subscribed by a securities firm as required for underwriting business or as a recommending securities firm for an emerging stock company in accordance with the regulations of the Taipei Exchange.
 - 3. Trading of bonds with repurchase or resale conditions, or the subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
- II. The transaction amount referred to in the preceding paragraph shall be calculated as follows:
- (I) Amount of each transaction.
 - (II) The cumulative amount of transactions for acquisition or disposal of assets of the same nature with the same counterparty within one year.
 - (III) The cumulative amount of acquisitions or disposals (calculated separately for acquisitions and disposals) of property or right-of-use assets thereof under the same development project within one year.
 - (IV) The cumulative amount of acquisitions or disposals (calculated separately for acquisitions and disposals) of the same securities within one year.
- III. The term "within one year" as referred to in the preceding paragraph shall be calculated by counting backward for one year from the date of occurrence of the current transaction; any portion that has already been announced in accordance with these Procedures shall not be included again.
- IV. The Company shall, on a monthly basis, input the status of derivatives trading conducted by

the Company and its subsidiaries that are not domestic public companies as of the end of the preceding month into the information reporting website designated by the competent authority, in the prescribed format, before the tenth day of each month.

- V. If any items required to be announced contain errors or omissions at the time of announcement and require correction, the Company shall refile and announce all items in full within two days from the date it becomes aware of such errors or omissions.
- VI. The Company shall retain relevant contracts, minutes, registers, appraisal reports, and opinion letters issued by CPAs, attorneys, or securities underwriters in connection with the acquisition or disposal of assets. Unless otherwise provided by other laws, such documents shall be kept for at least five years.
- VII. After a transaction has been announced and reported in accordance with Paragraph 1, if any of the following circumstances occurs, the Company shall, within two days from the date of occurrence of the event, file an announcement and report the relevant information on the website designated by the competent authority:
 - (I) Any amendment, termination, or rescission of the relevant contract originally executed for the transaction.
 - (II) Failure to complete a merger, demerger, acquisition, or share transfer in accordance with the schedule specified in the contract.
 - (III) Changes to the originally announced and reported content.

Article 6 Asset appraisal procedures:

Where the Company acquires or disposes of property, equipment, or right-of-use assets thereof, except for transactions with domestic government agencies, self-owned land construction, leased land construction, or the acquisition or disposal of equipment or right-of-use assets for operational use, and the transaction amount reaches 20% of the Company's paid-in capital or NTD 300 million or more, an appraisal report issued by a professional appraiser shall be obtained prior to the date of occurrence of the transaction, and the following requirements shall be met. However, where the Company acquires or disposes of assets through court auction procedures, documents issued by the court may be used in lieu of an appraisal report or a CPA's opinion.

- I. Where, due to special circumstances, a restricted price, specific price, or special price is used as the reference basis for determining the transaction price, such transaction shall be submitted for prior approval by the Board of Directors; the same shall apply to any subsequent changes to the transaction terms.
- II. Where the transaction amount reaches NTD 1 billion or more, appraisals shall be obtained from two or more professional appraisers.
- III. Where the appraisal results of professional appraisers fall under any of the following circumstances, except where all appraisal results for asset acquisition are higher than the transaction amount or all appraisal results for asset disposal are lower than the transaction amount, a CPA shall be engaged to provide specific opinions on the reasons for the discrepancies and the appropriateness of the transaction price:
 - (I) Where the difference between the appraisal result and the transaction amount reaches 20% or more of the transaction amount.
 - (II) Where the difference between the appraisal results of two or more professional appraisers reaches 10% or more of the transaction amount.
- IV. The date of the appraisal report issued by the professional appraiser shall not exceed three months from the contract execution date. However, if the same publicly announced current value is applicable and the period does not exceed six months, an opinion letter may be issued by the original professional appraiser.

Article 7 Scope and limits of investment:

In addition to acquiring assets for operational use, the Company and its subsidiaries may also invest in the purchase of property and right-of-use assets thereof or securities not for operational use, subject to the following respective limits. When calculating Subparagraphs 4 and 5, investments in which the Company participates in establishment or serves as a director or supervisor and intends to hold on a long-term basis may be excluded.

- I. The total amount of property not for operational use shall not exceed 50% of the Company's net value as shown in its most recent financial statements; for subsidiaries, it shall not exceed

- 30% of their net value as shown in their most recent financial statements.
- II. The total amount of securities shall not exceed 30% of the Company's net value as shown in its most recent financial statements; for subsidiaries, it shall not exceed 20% of their net value as shown in their most recent financial statements.
 - III. The investment in any individual security shall not exceed 20% of the Company's net value as shown in its most recent financial statements; for subsidiaries, it shall not exceed 10% of their net value as shown in their most recent financial statements.
 - IV. The net investment by the Company and each of its subsidiaries in any single TWSE-listed or TPEX-listed company shall not exceed 10% of the net value of each respective company as shown in its most recent financial statements.
 - V. The combined shareholding of the Company and its subsidiaries in any single TWSE-listed or TPEX-listed company shall not exceed 10% of the total issued shares of such company.

Article 8 Control over subsidiaries' acquisition or disposal of assets:

- I. The Company's subsidiaries shall also establish their own "Procedures for Acquisition or Disposal of Assets" in accordance with the "Regulations Governing the Acquisition or Disposal of Assets by Public Companies." Such Procedures shall be implemented upon approval by the Audit Committee and the Board of Directors and submission to the shareholders' meeting for consent; the same shall apply to any amendments.
- II. The Company's subsidiaries shall handle the acquisition or disposal of assets in accordance with their respective "internal control systems" and "Procedures for Acquisition or Disposal of Assets," and shall, before the 5th day of each month, submit to the Company a written summary of any single or cumulative transactions of the same nature in the preceding month with an amount of NTD 10 million or more, as well as the status of derivatives trading conducted as of the end of the preceding month. The Company's audit unit shall include the subsidiaries' acquisition or disposal of assets as one of the monthly audit items, and the audit results shall be included as a required item in reports on audit activities submitted to the Board of Directors and the Audit Committee.
- III. If any of the Company's subsidiaries is not a public company and its acquisition or disposal of assets reaches the announcement and reporting thresholds, it shall notify the Company on the date of occurrence of the event, and the Company shall file an announcement and report on the designated website in accordance with regulations.

Article 9 Penalties:

Where the personnel responsible for the Company's acquisition or disposal of assets violate the "Regulations Governing the Acquisition or Disposal of Assets by Public Companies" issued by the Financial Supervisory Commission or these Procedures, actions shall be taken in accordance with the following provisions based on the severity of the violation. Records of violations shall be maintained and used as a reference for annual individual performance evaluations.

- I. Violation of authorization limits: A first violation shall result in a verbal warning; a repeated violation shall result in a written warning and mandatory participation in internal control system training courses; repeated violations or serious circumstances shall result in reassignment.
- II. Violation of evaluation procedures: A first violation shall result in a verbal warning; a repeated violation shall result in a written warning and mandatory participation in internal control system training courses; repeated violations or serious circumstances shall result in reassignment.
- III. Violation of announcement and reporting: A first violation shall result in a verbal warning; a repeated violation shall result in a written warning; repeated violations or serious circumstances shall result in reassignment.
- IV. The immediate supervisor of the personnel who violated the regulations shall also be subject to disciplinary action, unless a reasonable explanation can be provided.
- V. Where the Board of Directors or any director violates applicable regulations or resolutions of the shareholders' meeting in the execution of duties, the Audit Committee shall, in accordance with Article 218-2 of the Company Act, notify the Board of Directors or such director to cease such conduct.

Chapter 2 Acquisition of property from a related party

- Article 10 Basis for determination:
The Company's acquisition of property from related parties includes acquisitions through purchase or exchange. The determination of related parties shall be made in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and in making such determination, consideration shall be given not only to legal form but also to the substance of the relationship.
- Article 11 Resolution procedures:
Where the Company acquires or disposes of property or right-of-use assets thereof from or to a related party, or acquires or disposes of assets other than property or right-of-use assets thereof with a related party, and the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NTD 300 million or more, except for the trading of domestic government bonds, bonds with repurchase or resale conditions, or the subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the following information shall be submitted to the Audit Committee and the Board of Directors for approval before entering into the transaction contract and making payment.
- I. The purpose, necessity, and expected benefits of the acquisition or disposal of assets.
 - II. The reasons for selecting the related party as the counterparty.
 - III. For the acquisition of property or right-of-use assets thereof from a related party, relevant information for assessing the reasonableness of the proposed transaction terms in accordance with Articles 12 and 13.
 - IV. The original acquisition date and price by the related party, the counterparty, and its relationship with the Company and the related party.
 - V. A projected monthly cash inflow and outflow schedule for the one-year period commencing from the expected month of contract execution, together with an assessment of the necessity of the transaction and the reasonableness of fund utilization.
 - VI. An appraisal report issued by a professional appraiser obtained in accordance with regulations, or a CPA's opinion.
 - VII. Restrictions and other material terms of this transaction.
- Transactions between the Company and its parent company or subsidiaries, or between subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital, involving the following matters, may be authorized by the Board of Directors for the Chairman to make decisions within a specified limit, and subsequently reported to the most recent Board of Directors meeting for ratification.
- I. Acquisition or disposal of equipment for operational use or right-of-use assets thereof.
 - II. Acquisition or disposal of right-of-use assets of property for operational use.
- When matters are submitted to the Board of Directors for discussion in accordance with Paragraph 1, full consideration shall be given to the opinions of each independent director. If any independent director has objections or reservations, such opinions shall be recorded in the minutes of the Board meeting. Where an Audit Committee has been established in accordance with law, matters required under Paragraph 1 to be approved by the Audit Committee shall first be approved by more than one-half of all members of the Audit Committee and then submitted to the Board of Directors for resolution.
- Where the Company or its subsidiaries that are not domestic public companies engage in a transaction described in Paragraph 1, and the transaction amount reaches 10% or more of the Company's total assets, the information listed in Paragraph 1 shall be submitted to the shareholders' meeting for approval before entering into the transaction contract and making payment. However, this shall not apply to transactions between the Company and its parent company or subsidiaries, or between its subsidiaries.
- The calculation of the transaction amounts referred to in Paragraph 1 and the preceding paragraph shall be handled in accordance with Paragraph 2 of Article 5, and the term "within one year" shall be calculated by counting backward for one year from the date of occurrence of the current transaction. Any portion that has already been submitted to and approved by the shareholders' meeting, the Board of Directors, and the Audit Committee in accordance with these Procedures shall not be included again.
- Article 12 Assessment of the reasonableness of transaction terms:

Where the Company acquires property or right-of-use assets thereof from a related party, except in the following four circumstances: where the related party acquired the property or right-of-use assets thereof through inheritance or gift; where more than five years have elapsed between the date the related party entered into the contract to acquire the property or right-of-use assets thereof and the date of the current transaction contract; where the Company enters into a joint construction agreement with the related party, or engages the related party to construct property through self-owned land construction or leased land construction; or where the Company and its parent company or subsidiaries, or between subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital, acquire right-of-use assets of property for operational use, the reasonableness of the transaction cost shall be assessed using the following methods, and a CPA shall be engaged to review and provide specific opinions.

- I. Based on the transaction price with the related party, plus necessary financing interest and costs that the buyer is legally required to bear. The necessary financing interest cost shall be calculated based on the weighted average interest rate of the Company's borrowings in the year the asset is acquired, provided that it shall not exceed the maximum borrowing interest rate for non-financial institutions announced by the Ministry of Finance.
- II. Where the related party has previously pledged the subject asset as collateral for a loan from a financial institution, the total loan appraisal value assessed by the financial institution for the subject asset may be used as a reference; provided that the actual cumulative loan amount extended by the financial institution shall have reached 70% or more of the total loan appraisal value and the loan period shall have exceeded one year. However, this shall not apply where the financial institution and one of the parties to the transaction are related parties.
- III. Where land and buildings of the same subject are purchased or leased together, the transaction cost may be assessed separately for the land and the buildings using any of the methods set forth in the preceding two subparagraphs.

Article 13

Actions required when the calculated transaction cost is lower than the transaction price:

Where the transaction cost assessed in accordance with the provisions of the preceding article is lower than the transaction price, except where any of the following circumstances apply and objective evidence can be provided along with specific and reasonable opinions issued by a professional real estate appraiser and a CPA, the matter shall be handled in accordance with Paragraph 3.

- I. Where the related party acquires undeveloped land or leases land for subsequent construction, it may provide evidence demonstrating compliance with any one of the following conditions:
 - (I) Where the land is assessed in accordance with the methods set forth in the preceding article, and the building is valued based on the related party's construction cost plus a reasonable construction profit, and the combined amount exceeds the actual transaction price. The term "reasonable construction profit" shall be determined based on the lower of the average gross profit margin of the related party's construction segment over the most recent three years or the most recent gross profit margin of the construction industry announced by the Ministry of Finance.
 - (II) Other transactions involving the same property or different floors of the same building, or transactions in nearby areas within one year with non-related parties, where the area is similar and the transaction conditions are comparable after adjusting for reasonable floor or location price differences in accordance with real estate sale or lease practices.
- II. The Company provides evidence that the property acquired from a related party or the right-of-use assets of property obtained through lease have transaction conditions comparable to those of other transactions with non-related parties in nearby areas within one year and with similar areas.

The term "transactions in nearby areas" referred to in the preceding paragraph shall, in principle, mean transactions within the same or adjacent blocks and within a radius of 500 meters from the subject property or with similar publicly announced current values; the term "similar area" shall, in principle, mean that the area of other transactions with non-related parties is not less than 50% of the area of the subject property; and the term "within one year" shall be calculated

by counting backward for one year from the date of occurrence of the acquisition of the property or right-of-use assets thereof.

Where the Company acquires property or right-of-use assets thereof from a related party, and the transaction cost assessed in accordance with the preceding article is lower than the transaction price, and none of the circumstances described in Paragraph 1 of this Article apply, the following matters shall be handled:

- I. The difference between the transaction price of the property or right-of-use assets thereof and the assessed cost shall be appropriated as a special reserve in accordance with Article 41, Paragraph 1 of the Securities and Exchange Act, and shall not be distributed or used for capitalization and share issuance. The special reserve so appropriated may only be utilized after the high-priced acquired or leased asset has been recognized with an impairment loss, disposed of, or the lease has been terminated, or appropriate compensation has been made or the asset has been restored to its original condition, or other evidence confirms that no unreasonableness exists, and with the approval of the FSC.
- II. The independent director members of the Audit Committee shall act in accordance with Article 218 of the Company Act.
- III. The handling of the matters referred to in the preceding two subparagraphs shall be reported to the shareholders' meeting, and the detailed information of the transaction shall be disclosed in the annual report and the prospectus.

Chapter 3
Article 14

Control over derivatives trading

Principles and policies for transactions:

- I. Types of transactions: The Company may engage in derivatives including forward contracts, options, interest rate and foreign exchange swaps, futures, and composite contracts formed from combinations of the foregoing instruments. If the Company intends to engage in other types of transactions, it shall obtain prior approval from the Board of Directors before proceeding.
- II. Operating or hedging strategies: The Company's engagement in derivatives trading is classified into transactions for hedging purposes and transactions not for hedging purposes (i.e., trading purposes). The strategy shall primarily aim to mitigate operational risks, and the selection of financial instruments shall focus on hedging risks arising from the Company's business operations, including foreign exchange income and expenditures, assets, or liabilities. In response to changes in the objective environment, the Company may select appropriate timing to enter into derivatives for "non-hedging transactions" with the aim of increasing non-operating income or reducing non-operating losses. In addition, counterparties shall, as far as possible, be financial institutions that have business relationships with the Company, in order to avoid credit risk. Prior to execution, transactions must be clearly classified as hedging transactions or financial operations for investment return purposes, which shall serve as the basis for accounting recognition.
- III. Transaction limit:
 - (I) Hedging transactions: The hedging limit shall be based on the net foreign exchange position after consolidating assets and liabilities (including anticipated future net positions).
 - (II) Non-hedging transactions: Shall not exceed USD 1.5 million. Prior to execution, trading personnel shall submit an analysis report on foreign exchange trends, which shall include analysis of foreign exchange market trends and recommended operating strategies, and may proceed only after approval is obtained.
- IV. Maximum loss limits for total and individual contracts:
 - (I) Hedging transactions: As hedging transactions are conducted based on the Company's actual needs, and the associated risks have been assessed and controlled in advance, there is no maximum loss limit.
 - (II) Non-hedging transactions: After positions are established, stop-loss limits shall be set to prevent excessive losses. The stop-loss threshold shall not exceed 10% of the transaction contract amount, and the total accumulated losses for the year shall not exceed USD 300,000.

V. Division of responsibilities:

- (I) Trading personnel: Personnel responsible for executing the Company's derivatives transactions, with candidates designated by the Chairman. Responsible for formulating trading strategies within the authorized scope, executing trading instructions, disclosing future trading risks, and providing timely information to relevant departments for reference.
- (II) Accounting Section: Responsible for confirming transactions, recording them in accordance with relevant regulations, and maintaining transaction records; regularly evaluating the fair market value of positions held and providing such information to the designated trading personnel; and disclosing relevant matters relating to derivatives in the financial statements.
- (III) Treasury Section: Responsible for settlement matters related to derivatives transactions.

VI. Performance evaluation guidelines:

- (I) Hedging transactions: Performance evaluation shall be based on the gains or losses arising from the difference between the Company's book exchange (interest) rates and those from derivatives transactions. Evaluations shall be conducted at least twice per month, and the results shall be submitted to management for reference.
- (II) Designated-purpose transactions: Performance evaluation shall be based on the actual gains or losses incurred. Evaluations shall be conducted at least once per week, and the results shall be submitted to management for reference.

Article 15

Risk management measures:

The Company's engagement in derivatives trading and the scope of risk management and corresponding risk management measures to be adopted are as follows:

- I. Consideration of credit risk: Counterparties shall, in principle, be selected from financial institutions and futures brokers that have a good business reputation with the Company and are able to provide professional information.
- II. Consideration of market risk: Potential losses arising from future market price fluctuations of derivatives are uncertain; therefore, once positions are established, the stop-loss thresholds must be strictly observed.
- III. Consideration of liquidity risk: To ensure the liquidity of trading instruments, counterparties must have adequate facilities, information, and trading capabilities and be able to execute transactions in any market.
- IV. Consideration of operational risk: Authorization limits and operating procedures must be strictly followed to avoid operational risks.
- V. Consideration of legal risk: Any contractual documents entered into with financial institutions shall, as far as possible, use internationally standardized documentation to avoid legal risks.
- VI. Consideration of product risk: Internal trading personnel shall possess complete and accurate professional knowledge of the derivatives being traded to avoid losses resulting from misuse of such instruments.
- VII. Consideration of cash settlement risk: In addition to strictly complying with authorization limits, authorized trading personnel shall regularly monitor the Company's cash flows to ensure sufficient funds are available for settlement.
- VIII. Trading personnel shall not concurrently serve as personnel responsible for confirmation, settlement, or other related operations.
- IX. Confirmation personnel shall regularly reconcile accounts with counterpart banks or obtain confirmations, and shall at all times verify whether the total transaction amount exceeds the limits prescribed under these Procedures.
- X. Personnel responsible for the measurement, monitoring, and control of risks shall belong to a department different from that of the personnel referred to in Subparagraph 8, and shall report to the Board of Directors or to senior management not responsible for trading or position decision-making.
- XI. Positions held shall be evaluated at least once per week; however, for hedging transactions conducted for operational needs, evaluations shall be conducted at least

twice per month. The evaluation reports shall be submitted to the senior management authorized by the Board of Directors (Note: such senior management shall be designated from personnel not belonging to the executing unit).

Article 16

Internal audit system:

- I. The Company's internal audit personnel shall periodically assess the adequacy of internal controls over derivatives trading and conduct monthly audits of the trading department's compliance with the prescribed operating procedures for derivatives transactions, and prepare audit reports. If any material violation is discovered, it shall be immediately reported to the Chairman and the senior management designated by the Board of Directors, and the Audit Committee shall be notified in writing. When notifying the Audit Committee pursuant to the preceding paragraph, the independent directors shall also be notified in writing.
- II. The Company's internal audit personnel shall include derivatives trading in the audit plan, and shall report the execution status of the annual audit plan for the preceding year to the FSC by the end of February of the following year, and shall report the status of remediation of any irregularities to the FSC for recordation by no later than the end of May of the following year.

Article 17

Regular evaluation methods and handling of irregularities:

- I. Senior management authorized by the Board of Directors shall manage derivatives transactions in accordance with the following principles:
 - (I) Regularly assess whether the current risk management measures are appropriate and ensure that they are implemented in accordance with these Procedures and the Company's derivatives trading operating rules.
 - (II) Supervise trading activities and profit or loss status; when any irregularity is identified, necessary responsive measures shall be taken and reported immediately to the Board of Directors. Independent directors shall attend the Board of Directors meeting and express their opinions.
- II. Where the Company engages in derivatives trading and authorizes relevant personnel to handle such transactions in accordance with the established derivatives trading operating rules, such matters shall be subsequently reported to the most recent Board of Directors meeting.

Chapter 4

Mergers, demergers, acquisitions, or share transfers

Article 18

When the Company conducts a merger, demerger, acquisition, or share transfer, it shall, prior to convening the Board of Directors to pass a resolution, engage a CPA, attorney, or securities underwriter to provide an opinion on the reasonableness of the share exchange ratio, acquisition price, or the cash or other property to be distributed to shareholders, and submit such opinion to the Board of Directors for discussion and approval. However, where the Company merges with a subsidiary in which it directly or indirectly holds 100% of the issued shares or total capital, or where mergers occur between subsidiaries in which it directly or indirectly holds 100% of the issued shares or total capital, the requirement to obtain the aforementioned expert opinion on reasonableness may be exempted.

Article 19

When the Company conducts a merger, demerger, or acquisition, it shall disclose the material terms and relevant matters in a public document provided to shareholders prior to the shareholders' meeting, and deliver such document together with the expert opinion referred to in the preceding article and the notice of the shareholders' meeting, as a reference for shareholders in deciding whether to approve the merger, demerger, or acquisition. However, this shall not apply where, pursuant to other laws, a shareholders' meeting resolution is not required for mergers, demergers, or acquisitions. Where any of the companies participating in a merger, demerger, or acquisition is unable to convene a shareholders' meeting or pass a resolution, or where the proposal is rejected by the shareholders' meeting, the Company shall immediately make a public announcement explaining the reasons, subsequent handling procedures, and the expected date for convening the shareholders' meeting.

Article 20

Unless otherwise provided by other laws or where special circumstances have been approved in advance by the FSC, the companies participating in a merger, demerger, or acquisition shall convene their Board of Directors meetings and shareholders' meetings on the same day to

resolve matters relating to the merger, demerger, or acquisition.

Unless otherwise provided by other laws or where special circumstances have been approved in advance by the FSC, the companies participating in a share transfer shall convene their Board of Directors meetings on the same day.

A listed company or a company whose shares are traded at a securities firm's business place that participates in a merger, demerger, acquisition, or share transfer shall prepare complete written records of the following information and retain them for five years for inspection:

- I. Basic information of personnel: including the job titles, names, and ID numbers (or passport numbers for foreign nationals) of all individuals involved in the merger, demerger, acquisition, or share transfer plan or its execution prior to the public disclosure of the information.
- II. Dates of important events: including the dates of signing the letter of intent or memorandum, engaging financial or legal advisors, executing the contract, and convening Board of Directors meetings.
- III. Important documents and meeting minutes: including documents such as the merger, demerger, acquisition, or share transfer plan, the letter of intent or memorandum, material contracts, and minutes of Board of Directors meetings.

A listed company or a company whose shares are traded at a securities firm's business place that participates in a merger, demerger, acquisition, or share transfer shall, within two days from the date of approval by the Board of Directors, report the information specified in Subparagraphs 1 and 2 of the preceding paragraph to the FSC for recordation via the Internet information system in the prescribed format.

Where any company participating in a merger, demerger, acquisition, or share transfer is not a listed company or a company whose shares are traded at a securities firm's business place, the listed company or the company whose shares are traded at a securities firm's business place shall enter into an agreement with such company and handle the matter in accordance with the preceding two paragraphs.

Article 21 Share exchange ratio and acquisition price:

The share exchange ratio or acquisition price for a merger, demerger, acquisition, or share transfer shall not be arbitrarily changed, except under the following circumstances:

- I. Conducting a cash capital increase, issuing convertible corporate bonds, distributing stock dividends, issuing corporate bonds with warrants, preferred shares with warrants, warrants, and other securities with equity characteristics.
- II. Disposal of material assets of the Company or other actions that affect the Company's financial or business operations.
- III. Occurrence of material disasters, significant technological changes, or other events affecting shareholders' equity or securities prices.
- IV. Adjustments resulting from any participating company repurchasing treasury shares in accordance with law.
- V. Changes in the parties participating in the merger, demerger, acquisition, or share transfer, or in the number thereof.
- V. Other conditions under which changes are permitted as stipulated in the contract and publicly disclosed.

Article 22 Required contents to be stated in the contract:

When the Company participates in a merger, demerger, acquisition, or share transfer, the contract shall specify the rights and obligations of the participating companies, the circumstances under which the share exchange ratio or acquisition price may be changed as described in the preceding article, and shall include the following matters:

- I. Handling of default.
- II. Principles for handling equity-type securities previously issued or treasury shares repurchased by the extinguished or demerged company.
- III. The number of treasury shares that participating companies may repurchase in accordance with law after the share exchange ratio record date and the principles for their handling.
- IV. The handling method for changes in the participating parties or in their number.
- IV. The expected implementation schedule and the anticipated completion timeline.
- V. If the plan is not completed as scheduled, the anticipated date for convening a shareholders'

Article 23	meeting as required by laws and regulations and other related handling procedures. Other matters to be noted when the Company participates in a merger, demerger, acquisition, or share transfer: I. Require all persons participating in or aware of the merger, demerger, acquisition, or share transfer to provide written confidentiality undertakings, and prior to public disclosure of the information, they shall not disclose the content of the plan externally, nor shall they, directly or indirectly in another person's name, trade the shares of any related companies or other equity-type securities. II. After the information on a merger, demerger, acquisition, or share transfer has been publicly disclosed, if it is intended to proceed with a merger, demerger, acquisition, or share transfer with another company, except where the number of participating parties is reduced and the shareholders' meeting has resolved and authorized the Board of Directors to make changes, allowing exemption from reconvening the shareholders' meeting for a new resolution, any procedures or legal acts already completed under the original plan shall be re-performed. III. Where any company participating in a merger, demerger, acquisition, or share transfer is not a public company, the Company shall enter into an agreement with such company and handle the matter in accordance with Article 20 of these Procedures and the preceding two subparagraphs.
Chapter 5	Other important matters
Article 24	The Company shall retain relevant contracts, minutes, registers, appraisal reports, and opinion letters issued by CPAs, attorneys, or securities underwriters in connection with the acquisition or disposal of assets. Unless otherwise provided by other laws, such documents shall be kept for at least five years.
Article 25	The appraisal report obtained by the Company or the opinion issued by a CPA, attorney, or securities underwriter, and such professional appraiser and its appraisal personnel, CPA, attorney, or securities underwriter shall meet the following requirements: I. Has not been finally convicted and sentenced to imprisonment for a term of one year or more for violations of the Securities and Exchange Act, the Company Act, the Banking Act, the Insurance Act, the Financial Holding Company Act, the Business Entity Accounting Act, or for offenses involving fraud, breach of trust, embezzlement, forgery of documents, or crimes committed in the course of business. However, this restriction shall not apply where three years have elapsed after completion of execution, expiration of the probation period, or grant of a pardon. II. Shall not be a related party of, nor have the status of a de facto related party with, any party to the transaction. III. Where the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or their appraisal personnel shall not be related parties to each other nor have any de facto related party relationship. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of their respective professional associations and the following matters: I. Prior to undertaking an engagement, they shall carefully assess their own professional capability, practical experience, and independence. II. When performing the engagement, they shall properly plan and implement appropriate procedures to reach conclusions and issue reports or opinions accordingly; and shall duly record the procedures performed, data collected, and conclusions in the working papers for the engagement. III. The appropriateness and reasonableness of each item of data sources, parameters, and information used shall be individually evaluated as the basis for issuing the appraisal report or opinion. IV. The statement of matters shall include that the relevant personnel possess professional competence and independence, that the information used has been assessed as appropriate and reasonable, and that applicable laws and regulations have been complied with. Article 26 The provisions of these Procedures regarding 10% of total assets shall be calculated based on

the total asset amount stated in the most recent parent company only or individual financial statements prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term “net worth” of the Company refers to the equity attributable to owners of the parent company as stated in the balance sheet, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Article 27

These Procedures shall be implemented upon approval by the Audit Committee and the Board of Directors and submission to the shareholders’ meeting for consent; the same shall apply to any amendments.

Appendix IV

Number of shares held by all directors List of Directors

Record date: April 26, 2026

Job Title	Name	Date elected	Shareholding at the time of election			Current Shareholdings			Notes
			Type	Number of Shares	% of outstanding shares at the time	Type	Number of Shares	% of outstanding shares at the time	
Chairman	Bay&Lake Investment Co., Ltd.	2024.06.27	Common stock	7,924,000	4.47%	Common stock	7,924,000	4.47%	
Director	Chien-Ming Investment Co., Ltd. Representative: Ying-Ming Chen	2024.06.27	Common stock	13,869,589	7.83%	Common stock	13,869,589	7.83%	
Director	Tairoun Investment Co., Ltd. Representative: I-Kuan Chou	2024.06.27	Common stock	16,013,325	9.04%	Common stock	16,277,325	9.19%	
Director	Ying-Kai Chen	2024.06.27	Common stock	2,143,916	1.21%	Common stock	2,063,916	1.17%	
Director	Ping-He Fang	2024.06.27	Common stock	1,055,603	0.60%	Common stock	1,055,603	0.60%	
Director	Di-Chen Huang	2024.06.27	Common stock	0	0.00%	Common stock	0	0.00%	
Independent Director	Chun-Chieh Chen	2024.06.27	Common stock	127,735	0.07%	Common stock	127,735	0.07%	
Independent Director	Chen-Tsang Lin	2024.06.27	Common stock	0	0.00%	Common stock	0	0.00%	
Independent Director	Yeh-Hsin Chen	2024.06.27	Common stock	0	0.00%	Common stock	0	0.00%	
Total			Common stock	41,134,168		Common stock	41,318,168		
The statutory required shareholding for all of the Company's directors is 10,624,676 shares. The total shareholding of all directors of the Company is 41,190,433 shares, representing 23.26% of the total issued shares. ◎ The Company has established an Audit Committee; therefore, the statutory shareholding requirement for supervisors is not applicable. ◎ The shareholding of independent directors is not included in the directors' shareholding total.									