Stock Code: 1418

TongHwa Corporation
(formerly known as
Tong-Hwa Synthetic Fiber Co., Ltd.)

2025 Annual Shareholders' Meeting

Handbook

10 June 2025

Contents

TongHwa Corporation 2025 Annual Shareholders' Meeting Procedure

I. Commencement of Meeting

II. Chairperson's Speech

III. Meeting Agenda

TongHwa Corporation 2025 Annual Shareholders' Meeting Agenda

Date (Time): 10 June 2025 at 9:00 AM

Place: No.1,Section 3,Zhongxiao East Road, Da　an District,Taipei City

(GIS TAIPEI TECH CONVENTION CENTER)

Convening Method: Physical Shareholders' Meeting

Ⅰ. Report Items:

1.2024 Business Report

2.Audit Committee's Review Opinions on the 2024Annual Final Accounting Books and Statements

3.Report for Loss Aggregates to One Half of the Paid-in Capital

Ⅱ. Matters for Ratification:

1. 2024 Business Report and Financial Statements

2. 2024Loss Off-setting Proposal

Ⅲ. Matters for Discussion:

1. Amendment to the Endorsement Guarantee Operating Procedures

2. Amendment to the Articles of Incorporation

Ⅳ. Election: Full re-election of nine directors for the twentieth term (including three independent directors)

Ⅴ. Questions and Motions

Ⅵ. Adjournment

I. Report Items:

Report Matters

I. 2024 Business Report

1. Acrylic Cotton Market Report:

(1) The acrylic cotton market in mainland China has stable supply and demand for the year 113, with an annual demand of approximately 600,000 tons, remaining unchanged compared to last year; there is no new production capacity. Jilin Chemical Fiber and Shanghai Petrochemical are continuously expanding their carbon fiber production.

(2) The price of acrylic cotton at the end of 113 fell by USD 0.09 per kilogram compared to the beginning of the year, a decrease of approximately 5%.The price of acrylonitrile increased by USD 15 per ton, with a rise of approximately 1%.The market conditions are relatively flat and somewhat challenging.

2. The demand for acrylic cotton from January to December 113 remained stable compared to the same period last year. The total sales volume from January to December of 113 was 133 tons, a decrease of 67% compared to 403 tons during the same period in 112.Here is the report on the production, sales, and operational situation for the year 2024, kindly request your review.

Production volume 0 metric tons

Sales volume 133 metric tons

3. In order to ensure the company's sustainable operation, our company intends to diversify its operations and develop multiple business entities, and has begun implementing an asset revitalization transformation plan.

Please check and verify.

Chairman: Lin Chuang-Ju   Manager: Lin Chuang-Yeh   Account Officer: Yeh Yen-ling

Report Matters

II. Audit Committee’s Review Opinions on the 2024 Annual Final Accounting Books and Statements

The Audit Committee’s Review Report

The Board of Directors has submitted the Company's 2024 Annual Business Report, Financial Statements, and Profit and Loss Appropriation Proposal,among others. The Financial Statements (including the Consolidated Financial Statements) have been audited by the accounting firm of Zhengfeng, with auditors Peng Lizhen and Wu Xinliang completing the audit and issuing the audit report. The aforementioned business report, financial statements, and profit and loss allocation proposal have been reviewed by the Audit Committee and are deemed to be in compliance.In accordance with the provisions of Article 14-4 of the Securities and Exchange Act and Article 219 of the Companies Ordinance, the report is submitted as above for your review.

To

2025Annual Shareholders” Meeting.

TongHwa Corporation

The Convenor of the Audit Committee Lee Tsung-Ju 

March 6, 2025

Report Matters

III. Accumulated losses reach half of the paid-in capital report

1.Report in accordance with Section 211 of the Companies Ordinance.

2.As of 31 December 2024, the accumulated losses of the Company amounted to NTD 748,360,989, which has reached half of the Company's paid-in capital (NTD 568,343,090).

II. Matters for Ratification:

Matters for Ratification

Case 1: (Proposed by the Board of Directors)

Ratification Proposal for 2024Business Report and Financial Statements

Explanation::

1. **Business Report (Please refer to Page 5 of this Book)**
2. **Auditor's Report (Please refer to Page 9~14, 23~27 of this Book)**
3. **Consolidated Balance Sheets (Please refer to Page 15~16 of this Book)**
4. **Consolidated Statements of Comprehensive Income (Please refer to Page 17~18 of this Book)**
5. **Consolidated Statements of Changes in Equity (Please refer to Page 19~20 of this Book)**
6. **Consolidated Statements of Cash Flows (Please refer to Page 21~22 of this Book)**
7. **Stand-alone Balance Sheets (Please refer to Page 28~29 of this Book)**
8. **Stand-alone Statements of Comprehensive Income (Please refer to Page 30 of this Book)**
9. **Stand-alone Statements of Changes in Equity (Please refer to Page 31of this Book)**
10. **Stand-alone Statements of Cash Flows (Please refer to Page 32~33 of this Book)**

Resolution:

Independent Auditor's Report

To: Shareholders of TongHwa Corporation:
(formerly known as: Tong-Hwa Synthetic Fiber Co., Ltd.)

Opinion

We have audited the consolidated balance sheet of TongHwa Corporation and its subsidiary as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity, cash flows, and related notes (including summary of significant accounting policies) for the year ended December 31, 2024 and 2023. The financial statements and related notes have been audited by us.

In our opinion, the aforementioned consolidated financial statements are prepared 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 Interpretive Statements approved and issued by the Financial Supervisory Commission, and are sufficient to present fairly the financial position of TongHwa Corporation and its subsidiary as of December 31, 2024 and 2023, and their financial performance and cash flows for the years ended December 31, 2024 and 2023.

Basis for Opinion

We conducted our audit in accordance with the Audit Regulations and Standards for Audit Engagements. Our responsibility under those standards is further described in the Auditor's Responsibility section of our audit report. We are independent from TongHwa Corporation and its subsidiary in accordance with the Code of Ethics for Professional Accountants and have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters refer to the most important issues in the audit of the consolidated financial statements of TongHwa Corporation and its subsidiaries for the fiscal year 2024, as determined by the professional judgment of the auditors. These matters have been addressed in the process of auditing the consolidated financial statements as a whole and forming an audit opinion, and the auditors do not express a separate opinion on these matters.

The key audit matters for the consolidated financial statements of TongHwa Corporation. and its subsidiaries for the fiscal year 2024 are as follows:

Fair Value Assessment of Investment Properties

Please refer to Note 4(9) of the consolidated financial statements for the accounting policy for investment properties, Note 5 for the accounting estimates and assumptions related to investment properties, and Note 6(11) for the explanation of the accounting items for investment properties.

The investment properties of TongHwa Corporation and its subsidiaries are measured at fair value. To support management's reasonable estimates, the Company uses the appraisal reports of independent valuation institutions. Due to the significant judgments and estimates involved in the selection of the valuation methods and parameters, it is identified as a key audit matter.

The auditors performed the following key audit procedures:

1. Assessed the professional competence, suitability, and objectivity of real estate appraisers appointed by management to be responsible for fair value measurement.
2. The audit firm engaged a third-party real estate appraisal expert to review the fair value appraisal report, understand whether the valuation method and assumptions comply with the accounting standards for the preparation of financial reports for securities issuers and real estate valuation technical rules, evaluate the relevance and reliability of the data sources and significant parameters (such as the discount rate and capitalization rate) used in the appraisal report, and confirm the reasonableness of the appraisal results.

Other Matter

TongHwa Corporation. has prepared individual financial reports for the years 2024 and 2023, and the auditors have issued unqualified opinions and audit reports on significant uncertainties related to the going concern basis. These reports are available for reference.

Responsibilities of Management and Governance Units for Consolidated Financial Statements

The responsibility of management is to prepare consolidated financial statements in accordance with the Financial Reporting Standards for Issuers of Securities, as well as the International Financial Reporting Standards, Interpretations and Interpretive Notices approved and issued by the Financial Supervisory Commission. Management is also responsible for maintaining necessary internal controls related to the preparation of consolidated financial statements in order to ensure that the consolidated financial statements are not materially misstated due to fraud or error.

In preparing the consolidated financial statements, the management's responsibility also includes assessing the ability of TongHwa Corporation and its subsidiaries to continue as a going concern, disclosing relevant matters, and adopting the going concern basis of accounting unless management intends to liquidate TongHwa Corporation and its subsidiaries or cease operations, or no other viable alternatives exist except liquidation or cessation.

The governance units of TongHwa Corporation and its subsidiaries (including the audit committee) are responsible for overseeing the financial reporting process.

Responsibilities of the Auditor in Auditing the Consolidated Financial Statements

The purpose of the auditor in auditing the consolidated financial statements is 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 audit report. Reasonable assurance is a high level of assurance, but the audit work performed in accordance with auditing standards cannot guarantee that all material misstatements will be detected. Misstatements may arise from fraud or error. If the amount of individual or aggregated misstatements that could reasonably be expected to influence the economic decisions of users made on the basis of the consolidated financial statements is material, such misstatements are considered to be material.

When auditing in accordance with auditing standards, the accountant uses professional judgment and professional skepticism. The accountant also performs the following tasks:

1. Identify and evaluate the risk of material misstatement of the consolidated financial statements due to fraud or error, design and implement appropriate response procedures for the assessed risks, and obtain sufficient and appropriate audit evidence as a basis for the audit opinion. Because fraud may involve collusion, forgery, intentional omission, false statements, or circumvention of internal controls, the risk of material misstatement due to fraud is higher than that due to error.
2. Obtain the necessary understanding of internal controls related to the audit and design appropriate audit procedures under the circumstances, but not to express an opinion on the effectiveness of the internal controls of TongHwa Corporation and its subsidiaries.
3. Evaluate the appropriateness of the accounting policies adopted by management and the reasonableness of the accounting estimates and related disclosures made.
4. Based on the audit evidence obtained, draw conclusions on the appropriateness of the management's use of the going concern basis of accounting and whether there are events or conditions that may cast significant doubt on the ability of TongHwa Corporation. and its subsidiaries to continue as a going concern. If the accountant believes that there is significant uncertainty about such events or conditions, he/she must alert the users of the consolidated financial statements to the related disclosures in the audit report, or amend the audit opinion if such disclosures are inappropriate. The accountant's conclusion is based on the audit evidence obtained as of the date of the audit report. However, future events or conditions may lead TongHwa Corporation. and its subsidiaries to no longer have the ability to continue as a going concern.
5. Evaluate the overall expression, structure, and content of the consolidated financial statements (including related notes), and determine whether the consolidated financial

statements are appropriate for expressing the relevant transactions and events.

6.Obtain sufficient and appropriate audit evidence for the financial information of the entities within theGroup in order to express an opinion on the consolidated financial statements. The auditor is responsible for guiding, supervising, and executing the Group audit engagement, and is responsible for forming the Group audit opinion.

The matters that the auditor communicates with the management include the planned audit scope and timing, as well as significant audit findings (including significant deficiencies in internal control identified during the audit process).

The auditor also provides the management with a statement confirming that personnel subject to independence regulations within the auditor's firm have adhered to the independence requirements set forth in the professional ethics standards for accountants. Additionally, the auditor communicates all relationships and other matters (including related safeguards) that could be considered to affect the auditor's independence.

Based on the matters communicated with the management, the auditor determines the key audit matters for the audit of the consolidated financial statements of TongHwa Corporation and its subsidiaries for the year 2024. The auditor states these matters in the audit report, unless disclosure of specific matters is prohibited by law or, in rare circumstances, the auditor decides not to communicate specific matters in the audit report because the negative impact of such communication is reasonably expected to outweigh the public interest to be served.

Baker Tilly Clock & CO

Accountant: 彭莉真 彭莉真 會計師

Peng Li-Lun

Accountant: 吳欣亮 吳欣亮 會計師

WU Hsing-Liang

Approval Number:

Financial Supervisory Commission Securities and Futures Bureau Audit Approval No. 1050025873

Financial Supervisory Commission Securities and Futures Bureau Review No. 09600000880

March 6, 2025

TongHwa Corporation. (formerly known as Tong-Hwa Synthetic Fiber Co., Ltd.) and Subsidiaries Consolidated Balance Sheet

Consolidated Balance Sheet

December 31, 2024 and 2023

Unit: NT$ Thousands

Code	Asset / Account items	Note	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current assets					
1100	Cash and cash equivalents	4, 6(1)	$ 967,572	18	$ 827,635	19
1110	Current financial assets at fair value through profit or loss	4, 6(2)	87,889	2	1,186	-
1170	Accounts receivable	6(4)	668	-	-	-
1200	Other receivables	6(4)	1,957	-	94	-
1220	Current income tax assets	4, 6(25)	1,103	-	218	-
130x	Inventory	4, 6(5), 8	392,650	8	3,459	-
1410	Prepayments	6(6)	6,714	-	5,309	-
1470	Other current assets		136	-	89	-
11xx	Total current assets		1,458,689	28	873,990	19
	Non-current assets					
1510	Financial assets at fair value through profit and loss - non-current	4, 6(2)	104,173	2	103,785	2
1517	Financial assets through other comprehensive income at fair value - non-current	4, 6(3)	5,550	-	5,181	-
1550	Investments accounted for using equity method	4, 6(7)	11,246	-	9,586	-
1600	Property, plant and equipment	4, 6(8), 8	688,505	13	686,167	15
1755	Right-of-use assets	4, 6(9)	11,035	-	12,900	-
1760	Investment properties	4, 6(11), 8	2,955,472	57	2,796,985	63
1975	Net defined benefit assets - non-current	4, 6(16)	22,848	-	18,157	1
1990	Other non-current assets		7,338	-	7,338	-
15xx	Total non-current assets		3,806,167	72	3,640,099	81
1xxx	Total assets		$ 5,264,856	100	$ 4,478,089	100

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TongHwa Corporation. (formerly known as Tong-Hwa Synthetic Fiber Co., Ltd.) and Subsidiaries

Consolidated Balance Sheet (Continued)

December 31, 2024 and 2023

Unit: NT$ Thousands

Liabilities and Equity		Note	December 31, 2024		December 31, 2023	
Code	Account Items		Amount	%	Amount	%
	Current liabilities					
2100	Short-term loans	6(12), 8	$ -	-	$ 100,000	3
2150	Notes payable	7	31	-	61	-
2200	Other payables	6(13)	23,889	1	13,959	-
2280	Current lease liabilities	4, 6(9)	1,916	-	1,873	-
2320	Long-term loans due within one year	6(14), 8	-	-	2,602,000	58
2300	Other current liabilities	6(15)	1,827	-	1,763	-
21xx	Total current liabilities		27,663	1	2,719,656	61
	Non-current liabilities					
2540	Long-term loans	6(14), 8	3,432,600	65	-	-
2570	Deferred tax liabilities	4, 6(25)	493,682	9	475,109	11
2580	Non-current lease liabilities	4, 6(9)	9,428	-	11,344	-
2670	Other non-current liabilities	6(15)	518	-	429	-
25xx	Total non-current liabilities		3,936,228	74	486,882	11
2xxx	Total liabilities		3,963,891	75	3,206,538	72
	Equity	6(17)				
3100	Capital stock		568,343	11	568,343	12
3200	Capital surplus		8,008	-	8,008	-
	Retained earnings					
3320	Special earnings surplus		1,560	-	1,560	-
3350	Accumulated deficit		(748,361)	(14)	(777,414)	(17)
3400	Other equity		1,551,746	30	1,551,377	35
3500	Treasury stock		(80,333)	(2)	(80,333)	(2)
31xx	Total equity attributable to owners of the parent company		1,300,963	25	1,271,541	28
36xx	Non-controlling interests		2	-	10	-
3xxx	Total equity		1,300,965	25	1,271,551	28
	Total liabilities and equity		$ 5,264,856	100	$ 4,478,089	100

(Please refer to the attached notes to the consolidated financial statements.)

Chairman: Lin Chuang-Ju Manager: Lin Chuang-Yeh Account Officer: Yeh Yan-Ling

TongHwa Corporation. (formerly known as Tong-Hwa Synthetic Fiber Co., Ltd.) and Subsidiaries

Consolidated Statements of Comprehensive Income

For the Years Ended December 31, 2024 and 2023

Unit: NT$ Thousands

Code	Item	Note	2024 Amount	2024 %	2023 Amount	2023 %
4000	Operating revenue	4, 6(18)	$ 10,248	100	$ 20,587	100
5000	Operating costs	6(5, 24), 7	(16,652)	(162)	(16,674)	(81)
5900	Gross profit (loss) from operations		(6,404)	(62)	3,913	19
6000	Operating expenses	6(24), 7				
6100	Selling expenses		(19,342)	(189)	(24,858)	(121)
6200	Administrative expenses		(56,632)	(553)	(52,664)	(256)
	Total operating expenses		(75,974)	(742)	(77,522)	(377)
6500	Other net income and expenses	6(19)	30,786	300	(966)	(5)
6900	Net loss from operations		(51,592)	(504)	(74,575)	(363)
7000	Non-operating income and expenses					
7100	Interest revenue	6(20)	11,670	114	3,690	18
7010	Other income	6(21)	6,318	62	26,311	127
7020	Other gains and losses	6(22)	162,903	1,590	154,127	749
7050	Financing costs	6(23)	(87,177)	(851)	(70,747)	(344)
7060	Share of profit of subsidiaries and associates accounted for using equity method	4, 6(7)	1,660	16	1,341	7
	Total non-operating income and expenses		95,374	931	114,722	557
7900	Net profit before tax		43,782	427	40,147	194
7950	Income tax benefit (expense)	4, 6(25)	(18,005)	(175)	(173)	(1)
8200	Current net income		25,777	252	39,974	193
8300	Other comprehensive income					
8310	Items that may not be reclassified to profit or loss:					
8311	Remeasurements of the defined benefit plans	6(16)	4,085	39	403	2
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(17)	369	4	1,511	7
8349	Income tax related to components of other comprehensive income	4, 6(25)	(817)	(8)	(81)	-
	Current other comprehensive income		3,637	35	1,833	9
8500	Total comprehensive income		29,414	287	41,807	202
8600	Net profit (loss) attributable to:					
8610	Owners of the parent company		$ 25,785	252	$ 39,981	193
8620	Non-controlling interests		$ (8)	-	$ (7)	-
8700	Total comprehensive income attributable to:					
8710	Owners of the parent company		$ 29,422	287	$ 41,814	202
8720	Non-controlling interests		$ (8)	-	$ (7)	-
	Earnings per share (NTD)	6(26)				
9750	Basic earnings per share		$ 0.47		$ 0.74	

(Please refer to the attached notes of the consolidated financial statements.)

Chairman: Lin Chuang-Ju Manager: Lin Chuang-Yeh Account Officer: Yeh Yan-Ling

TongHwa Corporation. (formerly known as Tong-Hwa Synthetic Fiber Co., Ltd.) and Subsidiaries
Consolidated Statement of Changes in Equity
For the Years Ended December 31, 2024 and 2023

Unit: NT$ Thousands

Item	Equity attributable to owners of the parent								Non-controlling interests	Total equity
			Retained earnings		Other equity adjustments					
	Share capital	Capital surplus	Special surplus	Accumulated deficit	Unrealized gains (losses) from financial assets at fair value through other comprehensive income	Revaluation increment of properties	Treasury stocks	Total		
Balance as of January 1, 2023	$ 568,343	$ 8,006	$ 1,560	$ (819,583)	$ (230,131)	$ 1,781,991	$ (80,651)	$ 1,229,535	$ (4)	$ 1,229,531
Current net income	-	-	-	39,981	-	-	-	39,981	(7)	39,974
Current other comprehensive income	-	-	-	322	1,511	-	-	1,833	-	1,833
Total comprehensive income	-	-	-	40,303	1,511	-	-	41,814	(7)	41,807
Treasury stock transaction, disposal of parent company shares by subsidiaries	-	-	-	(128)	-	-	318	190	21	211
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	1,994	(1,994)	-	-		-	-
Exercise of disgorgement	-	2	-	-	-	-	-	2	-	2
Balance as of December 31, 2023	$ 568,343	$ 8,008	$ 1,560	$ (777,414)	$ (230,614)	$ 1,781,991	$ (80,333)	$ 1,271,541	$ 10	$ 1,271,551
Balance as of January 1, 2024	$ 568,343	$ 8,008	$ 1,560	$ (777,414)	$ (230,614)	$ 1,781,991	$ (80,333)	$ 1,271,541	$ 10	$ 1,271,551
Current net income	-	-	-	25,785	-	-	-	25,785	(8)	25,777
Current other comprehensive income	-	-	-	3,268	369	-	-	3,637	-	3,637
Total comprehensive income	-	-	-	29,053	369	-	-	29,422	(8)	29,414
Balance as of December 31, 2024	$ 568,343	$ 8,008	$ 1,560	$ (748,361)	$ (230,245)	$ 1,781,991	$ (80,333)	$ 1,300,963	$ 2	$ 1,300,965

(Please refer to the attached notes of the consolidated financial statements.)

Chairman: Lin Chuang-Ju Manager: Lin Chuang-Yeh Account Officer: Yeh Yan-Ling

TongHwa Corporation (formerly known as Tong-Hwa Synthetic Fiber Co., Ltd.) and Subsidiaries

Consolidated Statement of Cash Flows

For the Years Ended December 31, 2024 and 2023

Unit: NT$ Thousands

Item	2024	2023
Cash flows from (used in) operating activities:		
Profit before tax	$ 43,782	$ 40,147
Adjustments for:		
Income statement items		
Depreciation expense	4,284	4,225
Losses on financial assets at fair value through profit or loss	(3,975)	(10,114)
Interest expenses	87,177	70,747
Interest revenue	(11,670)	(3,690)
Dividend income	(6,097)	(3,174)
Share of profit of subsidiaries and associates accounted for using equity method	(1,660)	(1,341)
Impairment loss on non-financial assets	-	2,181
Gain on disposal of property, plant and equipment	(30,786)	(1,215)
Unrealized foreign exchange loss	(1,777)	-
Fair value adjustment gains on investment properties	(158,487)	(144,066)
Net changes in operating assets and liabilities		
Accounts receivable	(668)	-
Other receivables	(1,708)	160
Inventory	(389,191)	4,015
Prepayments	(1,405)	3,061
Other current assets	(47)	(37)
Net defined benefit assets	(606)	(625)
Notes payable	(30)	(44)
Other payable	8,716	681
Other current liabilities	64	(1,163)
Other non-current liabilities	89	114
Deferred tax liabilities	(249)	(181)

(Continued on next page)

21

TongHwa Corporation (formerly known as Tong-Hwa Synthetic Fiber Co., Ltd.) and Subsidiaries

Consolidated Statement of Cash Flows (Continued)

For the Years Ended December 31, 2024 and 2023

Unit: NT$ Thousands

Item	2024	2023
Cash outflows from operating activities	(464,244)	(40,319)
Interest received	11,670	3,690
Interest paid	(85,963)	(69,021)
Income tax paid	(885)	(184)
Net cash flows from (used in) operating activities	(539,422)	(105,834)
Cash flows from (used in) investing activities		
Acquisition of financial assets measured at fair value through profit or loss	(368,340)	(20,493)
Disposal of financial fair value assets at fair value through profit or loss	285,224	20,730
Disposal of financial assets at fair value through other comprehensive income	-	3,661
Acquisition of property, plant and equipment	(5,385)	(53,594)
Acquisition of investment properties	-	(17,386)
Disposal of property, plant and equipment	31,414	1,277
Dividends received	5,942	3,168
Net cash flows used in investing activities	(51,145)	(62,637)
Cash flows from (used in) financing activities		
Short-term loans (decrease) increase	(100,000)	100,000
Proceeds from long-term debt	3,432,600	2,502,000
Repayments of long-term loans	(2,602,000)	(2,052,000)
Repayment of lease principal	(1,873)	(1,831)
Disposal of treasury stock	-	211
Other financing activities (exercise of disgorgement)	-	2
Net cash flows from (used in) financing activities	728,727	548,382
Impact of exchange rate changes on cash and cash equivalents	1,777	-
Net increase (decrease) in current cash and cash equivalents	139,937	379,911
Cash and cash equivalents, at beginning of period	827,635	447,724
Cash and cash equivalents, at end of period	$ 967,572	$ 827,635

(Please refer to the attached notes of the consolidated financial statements.)

Chairman: Lin Chuang-Ju　Manager: Lin Chuang-Yeh　Account Officer: Yeh Yan-Ling

Independent Auditor's Report

To: Stakeholders Of TongHwa Corporation

(formerly known as Tong-Hwa Synthetic Fiber Co., Ltd)

Opinion

We have audited the independent balance sheet of TongHwa Corporation as of December 31, 2024 and 2023, and the independent statement of comprehensive income, changes in equity, cash flows, and related notes (including summary of significant accounting policies) for the year ended December 31, 2024 and 2023. The financial statement and related notes have been audited by us..

In our opinion, the aforementioned independent financial statement is prepared 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 Interpretive Statements approved and issued by the Financial Supervisory Commission, and are sufficient to present fairly the financial position of TongHwa Corporation and its subsidiary as of December 31, 2024 and 2023, and their financial performance and cash flows for the years ended December 31, 2024 and 2023.

Basis of Opinion

We conducted our audit in accordance with the Audit Regulations and Standards for Audit Engagements. Our responsibility under those standards is further described in the Auditor's Responsibility section of our audit report. We are independent from TongHwa Corporation and its subsidiary in accordance with the Code of Ethics for Professional Accountants and have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters refer to the most important issues in the audit of the independent financial statement of TongHwa Corporation and its subsidiaries for the fiscal year 2024, as determined by the professional judgment of the auditors. These matters have been addressed in the process of auditing the independent financial statement as a whole and forming an audit opinion, and the auditors do not express a separate opinion on these matters.

The key audit matters for the independent financial statement of TongHwa Corporation and its subsidiaries for the fiscal year 2024 are as follows:

Fair Value Assessment of Investment Properties

24

Please refer to Note 4(9) of the independent financial statement for the accounting policy for investment properties, Note 5 for the accounting estimates and assumptions related to investment properties, and Note 6(11) for the explanation of the accounting items for investment properties.

The investment properties of TongHwa Corporation and its subsidiaries are measured at fair value. To support management's reasonable estimates, the Company uses the appraisal reports of independent valuation institutions. Due to the significant judgments and estimates involved in the selection of the valuation methods and parameters, it is identified as a key audit matter.

The auditors performed the following key audit procedures:

1. Assessed the professional competence, suitability, and objectivity of the real estate appraisers appointed by management to be responsible for fair value measurement.
2. The audit firm engaged a third-party real estate appraisal expert to review the fair value appraisal report, understand whether the valuation method and assumptions comply with the accounting standards for the preparation of financial reports for securities issuers and real estate valuation technical rules, evaluate the relevance and reliability of the data sources and significant parameters (such as the discount rate and capitalization rate) used in the appraisal report, and confirm the reasonableness of the appraisal results.

Responsibilities of Management and Governance Units for Independent Financial Statements

The responsibility of management is to prepare independent financial statements in accordancewith the Financial Reporting Standards for Issuers of Securities, as well as the International Financial Reporting Standards, Interpretations and Interpretive Notices approved and issued by the Financial Supervisory Commission. Management is also responsible for maintaining necessary internal controls related to the preparation of independent financial statements in order to ensure that the independent financial statements are not materially misstated due to fraud or error.

In preparing the independent financial statements, the management's responsibility also includes assessing the ability of TongHwa Corporation and its subsidiaries to continue as a going concern, disclosing relevant matters, and adopting the going concern basis of accounting unless management intends to liquidate TongHwa Corporation and its subsidiaries or cease operations, or no other viable alternatives exist except liquidation or cessation.

The governance units of TongHwa Corporation and its subsidiaries (including the audit committee) are responsible for overseeing the financial reporting process.

Responsibilities of the Auditor in Auditing the Independent Financial Statements

The purpose of the auditor in auditing the independent financial statements is to obtain reasonable assurance about whether the independent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report. Reasonable assurance is a high level of assurance, but the audit work performed in accordance with auditing standards cannot guarantee that all material misstatements will be detected. Misstatements may arise from fraud or error. If the amount of individual or aggregated misstatements that could reasonably be expected to influence the economic decisions of users made on the basis of the independent financial statements is material, such misstatements are considered to be material.

When auditing in accordance with auditing standards, the accountant uses professional judgment and professional skepticism. The accountant also performs the following tasks:

1. Identify and evaluate the risk of material misstatement of the independent financial statements due to fraud or error, design and implement appropriate response procedures for the assessed risks, and obtain sufficient and appropriate audit evidence as a basis for the audit opinion. Because fraud may involve collusion, forgery, intentional omission, false statements, or circumvention of internal controls, the risk of material misstatement due to fraud is higher than that due to error.
2. Obtain the necessary understanding of internal controls related to the audit and design appropriate audit procedures under the circumstances, but not to express an opinion on the effectiveness of the internal controls of TongHwa Corporation and its subsidiaries.
3. Evaluate the appropriateness of the accounting policies adopted by management and the reasonableness of the accounting estimates and related disclosures made.
4. Based on the audit evidence obtained, draw conclusions on the appropriateness of the management's use of the going concern basis of accounting and whether there are events or conditions that may cast significant doubt on the ability of TongHwa Corporation and its subsidiaries to continue as a going concern. If the accountant believes that there is significant uncertainty about such events or conditions, he/she must alert the users of the independent financial statements to the related disclosures in the audit report, or amend the audit opinion if such disclosures are inappropriate. The accountant's conclusion is based on the audit evidence obtained as of the date of the audit report. However, future events or conditions may lead TongHwa Corporation and its subsidiaries to no longer have the ability to continue as a going concern.
5. Evaluate the overall expression, structure, and content of the independent financial statements (including related notes), and determine whether the independent financial statements are appropriate for expressing the relevant transactions and events.
6. Obtain sufficient and appropriate audit evidence for the financial information of the entities within the group in order to express an opinion on the independent financial statements. The auditor is responsible for guiding, supervising, and executing the group audit engagement, and is responsible for forming the group audit opinion.

The matters that the auditor communicates with the management include the planned audit scope and timing, as well as significant audit findings (including

26

significant deficiencies in internal control identified during the audit process).

The auditor also provides the management with a statement confirming that personnel subject to independence regulations within the auditor's firm have adhered to the independence requirements set forth in the professional ethics standards for accountants. Additionally, the auditor communicates all relationships and other matters (including related safeguards) that could be considered to affect the auditor's independence.

Based on the matters communicated with the management, the auditor determines the key audit matters for the audit of the independent financial statements of TongHwa Corporation and its subsidiaries for the year 2024. The auditor states these matters in the audit report, unless disclosure of specific matters is prohibited by law or, in rare circumstances, the auditor decides not to communicate specific matters in the audit report because the negative impact of such communication is reasonably expected to outweigh the public interest to be served.

Baker Tilly Clock & CO.

Accountant: 彭莉真

Peng Li-Chen

Accountant: 吳欣亮

Wu Hsing-Liang

Approval Number:

Financial Supervisory Commission Securities and Futures Bureau Audit Approval No. 1050025873

Financial Supervisory Commission Securities and Futures Bureau Review No. 09600000880

March 6, 2025

TongHwa Corporation (formerly known as: Tong-Hwa Synthetic Fiber Co., Ltd.)
Individual Balance Sheet
December 31, 2024 and 2023

Unit: NT$ Thousands

Assets		Note	December 31, 2024		December 31, 2023	
Code	Account items		Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	4, 6(1)	$ 503,650	10	$ 361,218	8
1110	Current financial assets at fair value through profit or loss	4, 6(2)	84,972	2	1,186	-
1170	Accounts receivable	6(4)	668	-	-	-
1200	Other receivables	6(4), 7	3,157	-	594	-
1220	Current income tax assets	4, 6(25)	1,071	-	216	-
130x	Inventory	4, 6 (5), 8	392,650	7	3,459	-
1410	Prepayments	6(6)	6,710	-	5,307	-
1470	Other current assets		136	-	89	-
11xx	Total current assets		993,014	19	372,069	8
	Non-current assets					
1510	Financial assets at fair value through profit and loss - non-current	4, 6(2)	104,173	2	103,785	2
1517	Financial assets through other comprehensive income at fair value - non-current	4, 6(3)	5,550	-	5,181	-
1550	Investments accounted for using equity method	4, 6(7)	476,602	9	475,376	11
1600	Property, plant and equipment	4, 6 (8), 8	688,505	13	686,167	17
1755	Right-of-use assets	4, 6(9)	11,035	-	12,900	-
1760	Investment properties	4, 6(11), 8	2,955,472	56	2,796,985	62
1975	Net defined benefit assets - non-current	4, 6(16)	22,848	1	18,157	-
1990	Refundable deposits		7,338	-	7,338	-
15xx	Total non-current assets		4,271,523	81	4,105,889	92
1xxx	Total assets		$ 5,264,537	100	$ 4,477,958	100

(Continued on next page)

TongHwa Corporation (formerly known as: Tong-Hwa Synthetic Fiber Co., Ltd.)

Individual Balance Sheet (Continued)

December 31, 2024 and 2023

Unit: NT$ Thousands

Liabilities and Equity		Note	December 31, 2024		December 31, 2023	
Code	Account Items		Amount	%	Amount	%
	Current liabilities					
2100	Short-term loans	6(12), 8	$ -	-	$ 100,000	3
2150	Notes payable	7	31	-	61	-
2200	Other payables	6(13)	23,569	-	13,835	-
2280	Current lease liabilities	4, 6(9)	1,916	-	1,873	-
2320	Long-term loans due within one year	6(14), 8	-	-	2,602,000	58
2300	Other current liabilities	6(15)	1,827	-	1,763	-
21xx	Total current liabilities		27,343	-	2,719,532	61
	Non-current liabilities					
2540	Long-term loans	6(14), 8	3,432,600	65	-	-
2570	Deferred tax liabilities	4, 6(25)	493,682	10	475,109	11
2580	Non-current lease liabilities	4, 6(9)	9,428	-	11,344	-
2670	Other non-current liabilities	6(15), 7	521	-	432	-
25xx	Total non-current liabilities		3,936,231	75	486,885	11
2xxx	Total liabilities		3,963,574	75	3,206,417	72
	Equity	6(17)				
3100	Capital stock		568,343	11	568,343	12
3200	Capital surplus		8,008	-	8,008	-
	Retained earnings					
3320	Special earnings surplus		1,560	-	1,560	-
3350	Accumulated deficit		(748,361)	(14)	(777,414)	(17)
3400	Other equity		1,551,746	30	1,551,377	35
3500	Treasury Stock		(80,333)	(2)	(80,333)	(2)
3xxx	Total equity		1,300,963	25	1,271,541	28
	Total liabilities and equity		$ 5,264,537	100	$ 4,477,958	100

(Please refer to the attached notes to the individual financial statement.)

Chairman: Lin Chuang-Ju Manager: Lin Chuang-Yeh Account Officer: Yeh Yan-Ling

TongHwa Corporation (formerly known as: Tong-Hwa Synthetic Fiber Co., Ltd.)

Individual Statements of Comprehensive Income

For the Years Ended December 31, 2024 and 2023

Unit: NT$ Thousands

Code	Item	Note	2024 Amount	2024 %	2023 Amount	2023 %
4000	Operating revenue	4, 6(18)	$ 10,248	100	$ 20,587	100
5000	Operating costs	6(5, 24), 7	(16,652)	(162)	(16,674)	(81)
5900	Gross profit (loss) from operations		(6,404)	(62)	3,913	19
6000	Operating expenses	6(24), 7				
6100	Selling expenses		(19,342)	(189)	(24,858)	(121)
6200	Administrative expenses		(56,228)	(548)	(52,152)	(253)
	Total operating expenses		(75,570)	(737)	(77,010)	(374)
6500	Other net income and expenses	6(19)	30,786	300	(966)	(5)
6900	Net loss from operations		(51,188)	(499)	(74,063)	(360)
7000	Non-operating income and expenses					
7100	Interest revenue	6(20)	8,895	87	1,854	9
7010	Other income	6(21), 7	7,464	73	26,827	130
7020	Other gains and losses	6(22)	163,671	1,597	154,127	749
7050	Financing costs	6(23)	(87,177)	(851)	(70,747)	(344)
7070	Share of profit of subsidiaries and associates accounted for using equity method	4, 6(7)	1,876	18	1,975	10
	Total non-operating income and expenses		94,729	924	114,036	554
7900	Net profit before tax		43,541	425	39,973	194
7950	Income tax benefit (expense)	4, 6(25)	(17,756)	(173)	8	-
8200	Current net income		25,785	252	39,981	194
8300	Other comprehensive income					
8310	Items that may not be reclassified to profit or loss:					
8311	Remeasurements of the defined benefit plans	6(16)	4,085	40	403	2
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(17)	369	3	1,511	7
8349	Income tax related to components of other comprehensive income	4, 6(25)	(817)	(8)	(81)	-
	Current other comprehensive income		3,637	35	1,833	9
8500	Total comprehensive income		29,422	287	41,814	203
	Earnings per share (NT $)	6(26)				
9750	Basic earnings per share		$ 0.47		$ 0.74	

(Please refer to the attached notes to the individual financial statement.)

Chairman: Lin Chuang-Ju Manager: Lin Chuang-Yeh Account Officer: Yeh Yan-Ling

TongHwa Corporation (formerly known as: Tong-Hwa Synthetic Fiber Co., Ltd.)
Individual Statement of Changes in Equity
For the Years Ended December 31, 2024 and 2023

Unit: NT$ Thousands

Item	Share capital	Capital surplus	Retained earnings		Other equity adjustments		Treasury stocks	Total
			Special surplus	Accumulated deficit	Unrealized gains (losses) from financial assets at fair value through other comprehensive income	Revaluation increment of properties		
Balance as of January 1, 2023	$ 568,343	$ 8,006	$ 1,560	$ (819,583)	$ (230,131)	$ 1,781,991	$ (80,651)	$ 1,229,535
Current net income	-	-	-	39,981	-	-	-	39,981
Current other comprehensive income	-	-	-	322	1,511	-	-	1,833
Total comprehensive income	-	-	-	40,303	1,511	-	-	41,814
Treasury stock transaction, disposal of parent company shares by subsidiaries	-	-	-	(128)	-	-	318	190
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	1,994	(1,994)	-	-	-
Exercise of disgorgement	-	2	-	-	-	-	-	2
Balance as of December 31, 2023	$ 568,343	$ 8,008	$ 1,560	$ (777,414)	$ (230,614)	$ 1,781,991	$ (80,333)	$ 1,271,541
Balance as of January 1, 2024	$ 568,343	$ 8,008	$ 1,560	$ (777,414)	$ (230,614)	$ 1,781,991	$ (80,333)	$ 1,271,541
Current net income	-	-	-	25,785	-	-	-	25,785
Current other comprehensive income	-	-	-	3,268	369	-	-	3,637
Total comprehensive income	-	-	-	29,053	369	-	-	29,422
Balance as of December 31, 2024	$ 568,343	$ 8,008	$ 1,560	$ (748,361)	$ (230,245)	$ 1,781,991	$ (80,333)	$ 1,300,963

(Please refer to the attached notes to the independent financial statement.)

Chairman: Lin Chuang-Ju　　Manager: Lin Chuang-Yeh　　Account Officer: Yeh Yan-Ling

TongHwa Corporation (formerly known as: Tong-Hwa Synthetic Fiber Co., Ltd.)

Individual Statement of Cash Flows

For the Years Ended December 31, 2024 and 2023

Unit: NT$ Thousands

Item	2024	2023
Cash flows from (used in) operating activities:		
Profit before tax	$ 43,541	$ 39,973
Adjustments for:		
Income statement items		
Depreciation expense	4,284	4,225
Losses on financial assets at fair value through profit or loss	(4,743)	(10,114)
Interest expenses	87,177	70,747
Interest revenue	(8,895)	(1,854)
Dividend income	(6,024)	(3,174)
Share of profit of subsidiaries and associates accounted for using equity method	(1,876)	(1,975)
Impairment loss on non-financial assets	-	2,181
Gain on disposal of property, plant and equipment	(30,786)	(1,215)
Unrealized foreign exchange gain	(1,777)	-
Fair value adjustment gains on investment properties	(158,487)	(144,066)
Net changes in operating assets and liabilities		
Accounts receivable	(668)	-
Other receivables	(2,408)	(340)
Inventory	(389,191)	4,015
Prepayments	(1,403)	3,063
Other current assets	(47)	(37)
Net defined benefit assets	(606)	(625)
Notes payable	(30)	(44)
Other payable	8,520	627
Other current liabilities	64	(1,163)
Other non-current liabilities	89	114
Cash generated from operations	(463,266)	(39,662)

(Continued on next page)

TongHwa Corporation (formerly known as: Tong-Hwa Synthetic Fiber Co., Ltd.)

Individual Statements of Cash Flows (Continued)

For the Years Ended December 31, 2024 and 2023

Unit: NT$ Thousands

Item	2024	2023
Interest received	8,895	1,854
Interest paid	(85,963)	(69,021)
Income tax paid	(855)	(182)
Net cash flows from (used in) operating activities	(541,189)	(107,011)
Cash flows from (used in) investing activities		
Acquisition of financial assets measured at fair value through profit or loss	(344,682)	(20,493)
Disposal of financial fair value assets at fair value through profit or loss	265,251	20,730
Disposal of financial assets at fair value through other comprehensive income	-	3,661
Acquisition of property, plant and equipment	(5,385)	(53,594)
Acquisition of investment properties	-	(17,386)
Acquisition of investments accounted for using equity method	-	(465,000)
Disposal of property, plant and equipment	31,414	1,277
Dividends received	6,519	3,168
Net cash flows used in investing activities	(46,883)	(527,637)
Cash flows from (used in) financing activities		
Short-term loans (decrease) increase	(100,000)	100,000
Proceeds from long-term debt	3,432,600	2,502,000
Repayments of long-term loans	(2,602,000)	(2,052,000)
Increase in guarantee deposits received	-	3
Repayment of lease principal	(1,873)	(1,831)
Other financing activities (exercise of disgorgement)	-	2
Net cash flows from (used in) financing activities	728,727	548,174
Impact of exchange rate changes on cash and cash equivalents	1,777	-
Net increase (decrease) in current cash and cash equivalents	142,432	(86,474)
Cash and cash equivalents, at beginning of period	361,218	447,692
Cash and cash equivalents, at end of period	$ 503,650	$ 361,218

(Please refer to the attached notes to the independent financial statement.)

Chairman: Lin Chuang-Ju Manager: Lin Chuang-Yeh Account Officer: Yeh Yan-Ling

Acknowledged Items

Proposal Two: (Proposed by the Board of Directors)

2024 Loss Off-setting Proposal

Explanation: The 2024 final accounts have been audited by the Audit Committee and CPAs, and the 2024 loss off-setting is set out below:

TongHwa Corporation
2024 Loss Off-setting Proposal

Unit: New Taiwan Dollar

Item	Total
Opening accumulated losses	($ 777,413,354)
The remeasurement of defined benefit plans after tax is listed in Retained earnings	3,267,671
Accumulated losses after adjustment	($ 774,145,683)
Net Profit	25,784,694
Accumulated losses, end of period	($ 748,360,989)

Chairman: Lin Chuang-Ju Manager: Lin Chuang-Yeh Account Officer: Yeh Yan-Ling

Resolution:

III. Matters for Discussion

Matters for Discussion

Case 1:（Proposed by the Board of Directors）

Amendment to the Endorsement Guarantee Operating Procedures, please review.

Explanation:1.Process in accordance with the "Guidelines for the Handling of Loans and Endorsements by Publicly Issued Companies."

2.The revised "Endorsement Guarantee Operating Procedures" of our company are presented as follows.

Resolution:

TongHwa Corporation

Endorsement Guarantee Operating Procedures

27 June 2022 Shareholders' General Meeting Resolution
10 June 2025 first amendment

Article1 Purpose

In order to strengthen the financial management of endorsement guarantees and reduce operational risks, this procedure is established in accordance with the "Guidelines for Fund Lending and Endorsement Guarantees of Publicly Listed Companies."

Article2 The endorsement guarantee referred to in this procedure includes:

1. Financing Endorsement Guarantee:

(1) Ticket discount financing.

(2) Endorsements or guarantees made for the purpose of financing his company.

(3) To open notes for the purpose of financing the company as collateral for non-financial enterprises.

2. The customs endorsement guarantee refers to the endorsement or guarantee made for customs matters related to our company or other companies.

3. Other endorsements and guarantees refer to endorsements or guarantees that cannot be classified under the previous two categories.

4. The company provides movable or immovable property as collateral for loans from other companies.

Article 3 Endorsement Guarantee Object

The objects guaranteed by the company's endorsement are limited to the following companies.

1. Companies with business dealings.

2. The company directly and indirectly holds more than fifty percent of the voting shares of the company.

3. Companies that directly or indirectly hold more than fifty percent of the voting shares of the Company.

4. The Company may provide endorsements and guarantees among companies in which it directly and indirectly holds more than ninety percent of the voting shares, and the amount shall not exceed ten percent of the Company's net worth; however, endorsements and guarantees among companies in which the Company directly and indirectly holds one hundred percent of the voting shares are not subject to this limitation.

The company, based on the need for contracted projects, may provide endorsements or guarantees among peers or co-builders as stipulated in the contract, or due to a joint investment relationship, endorsements or guarantees made by all contributing shareholders in proportion to their shareholdings for the invested company, or guarantees for the performance of pre-sale housing sales contracts conducted among peers in accordance with consumer protection regulations, shall not be subject to the restrictions of the preceding provisions and may provide endorsements or guarantees.

The company's financial report is prepared in accordance with International Financial Reporting Standards. The net worth referred to in this operating procedure refers to the equity attributable to the owners of the parent company as stipulated by the financial reporting standards for securities issuers.

Article 4 Amount of Endorsement Guarantee

1. The total amount of external endorsements guaranteed by the company is limited to one hundred percent of the net value as per the company's most recent financial statements, while the endorsement guarantee limit for a single enterprise shall not exceed fifty percent of the net value as per the company's most recent financial statements.

   The total amount of endorsements and guarantees by the company and its subsidiaries shall be limited to one hundred percent of the net asset value as per the company's most recent financial statements, while the endorsement and guarantee limit for a single enterprise shall not exceed fifty percent of the net asset value as per the company's most recent financial statements.

2. For endorsers engaged in endorsement guarantees due to business dealings with the company, in addition to the aforementioned limit regulations, the individual endorsement

guarantee amount shall not exceed the business transaction amount between both parties in the most recent year.

3. The Company guarantees that its liability in relation to the provision of land owned by the Company as collateral for this credit facility, due to the joint construction relationship, shall be limited to the value of the land owned by the Company in the joint construction project, and shall not be subject to the restrictions of the total amount of this endorsement guarantee and the limits on the endorsement guarantee amount for a single enterprise.

Article 5 Endorsement Guarantee Processing and Review Procedures

1. When the company processes endorsement guarantees, the endorsed guarantee company must provide the necessary basic information and financial data along with the application to the company's finance department. The finance department shall conduct a review and assessment of the endorsed guarantee company, compile the relevant information and review results, and process it in accordance with the provisions of Article 5.
   The Company is exempt from conducting credit checks for subsidiaries in which it holds 100% of the voting shares, whether directly or indirectly.
2. The aforementioned review assessment items include:
   (1) The necessity and reasonableness of endorsement guarantees.
   (2) Credit and risk assessment of the endorsed guarantee object.
   (3) The impact on the company's operational risks, financial condition, and shareholder equity.
   (4) Whether to obtain collateral and the valuation of the collateral.
   (5) Due to the business relationship involved in endorsement guarantees, whether the amount of the endorsement guarantee is equivalent to the amount of business transactions shall be handled in accordance with the provisions of Article 4, Section 3, as it pertains to the business transactions between this company and its joint venture relationships.
3. The Finance Department should establish a record book to document the endorsed guarantee parties, amounts, dates of board approval or chairman's decision, endorsement

guarantee dates, and matters that should be prudently assessed as mentioned above, as well as the conditions and dates for relieving endorsement guarantee responsibilities, and maintain detailed records for reference.

4. The finance department should assess or recognize contingent losses related to endorsements and appropriately disclose endorsement guarantee information in the financial report, and provide relevant information to the certified public accountant for the accountant to carry out necessary audit procedures.

Article 6 Control procedures for endorsement guarantees for subsidiaries

1. If the subsidiary of the company intends to provide endorsements or guarantees for others, the company shall urge the subsidiary to establish endorsement and guarantee operating procedures in accordance with the "Guidelines for Fund Lending and Endorsement Guarantees of Publicly Issued Companies" and to carry out operations according to the established procedures.
2. The subsidiary shall prepare the detailed endorsement guarantee list for the previous month by the seventh of each month (exclusive) and submit it for review to the company.
3. When the company's auditors conduct audits at subsidiaries, they should also understand the procedures for endorsing guarantees for others. If any deficiencies are found, they should continuously track the improvement situation and prepare a follow-up report for submission.

Article 7 Seal Custody and Procedures

The company endorses the company seal applied for with the Ministry of Economic Affairs as a guarantee for special seals. The seal and guarantee notes shall be kept separately by designated personnel and used and issued according to prescribed procedures. Furthermore, when there are changes in the personnel responsible for the custody of the seal, such changes must be reported and approved by the Board of Directors.

Article 8 Decision-Making and Authorization Levels

1. When the company processes endorsement guarantees, it must be approved by a resolution of the Board of Directors; however, to meet time-sensitive needs, for subsidiaries directly and indirectly holding 100% of the voting shares, within an amount not exceeding 20% of the net asset value, the Chairman may be authorized by the Board of Directors to act in advance, and subsequently report to the most recent Board meeting for ratification.
2. Before the subsidiaries in which the Company directly and indirectly holds more than ninety percent of the voting shares provide endorsements and guarantees as stipulated in Article 3, Paragraph 1, Item 4, they must first submit a resolution from the Company's Board of Directors. However, this does not apply to endorsements and guarantees between companies in which the Company directly and indirectly holds one hundred percent of the voting shares.

If there are changes due to circumstances that cause the endorsement guarantee object to be inconsistent with the company's operational procedures or exceed the limit amount, an improvement plan should be established, submitted to the Audit Committee for review, and completed according to the schedule of the plan.

The company handles endorsement guarantees as required by business needs, and if it is necessary to exceed the limits set by the endorsement guarantee operating procedures and meets the conditions stipulated by the company's endorsement guarantee operating procedures, it must be approved by the board of directors, with more than half of the directors jointly guaranteeing the potential losses that may arise from exceeding the limits, and amend the endorsement guarantee operating procedures, which must be ratified by the shareholders' meeting; if the shareholders' meeting does not agree, a plan should be established to eliminate the excess portion within a specified period.

The company guarantees endorsement for subsidiaries with net assets lower than half of the paid-in capital. The finance unit should collaborate with relevant departments to assess associated risks and formulate response plans.

The company shall fully consider the opinions of each independent director when endorsing guarantees for others or during the aforementioned discussions, and shall include their explicit opinions of agreement or disagreement, as well as the reasons for any opposition, in the board meeting minutes.

Article 9 Announcement of Reporting Procedures

In accordance with regulations, any matters that should be reported or announced to the competent authority shall be handled by the company in accordance with relevant regulations. For subsidiaries of the company that are not domestic publicly listed companies, any matters that are required to be announced or reported shall be announced and reported on behalf of the company.

Article 10 Internal Audit and Penalties

The internal audit personnel of the company shall conduct audits of the endorsement guarantee operational procedures and their implementation at least quarterly, and prepare written records. If any significant violations are discovered, they shall immediately notify the audit committee in writing.

The company shall process endorsements and guarantees in accordance with the prescribed procedures. If significant violations are discovered, the managers and responsible personnel shall be penalized according to the nature of the violation.

Article 11 Endorsement Guarantee Cancelation

1. The endorser shall prepare a formal letter to submit the original endorsed guarantee documents to the finance department of our company for application when the endorsement guarantee needs to be released due to debt repayment or renewal.
2. If there is a cancelation of the endorsement guarantee, the Finance Department should update the endorsement guarantee register at all times to reduce the amount of the endorsement guarantee.

Article 12 For matters not covered in this operating procedure, they shall be handled in accordance with relevant laws and regulations and the company's related rules.

Article 13 This operating procedure shall be approved by more than half of all members of the Audit Committee, and after being passed by the Board of Directors, shall be submitted for approval by the shareholders' meeting. If it is not approved by more than half of all members of the Audit Committee, it may be carried out with the consent of more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors' meeting. If any director expresses dissent and there is a record or written statement, the company shall submit the director's dissent information to the shareholders' meeting for discussion, and the same applies when making amendments.

The aforementioned members of the Audit Committee and all directors shall be calculated based on those currently in office.

Discussion Matters

Case 2: （Proposed by the Board of Directors）

Amendment to Articles of Incorporation

Explanation:According to the letter No. 1130385442 issued by the Financial Supervisory Commission on 8 November 2024 and the letter No. 11330119000 issued by the Ministry of Economic Affairs, Department of Commerce on 6 August 2024, and considering practical needs, it is proposed to amend the comparison table of the previous and subsequent provisions as follows.

Comparison Table of Amendments to the Articles of Association of Tung Wah Group of Hospitals

Item	Correct the previous article.	Revised Clause	Reason for Correction
Article 6	All the shares of the company are registered ordinary shares, which are issued after being duly registered, signed and sealed by more than three directors, and certified by the competent authority or an institution approved by it. The company issues new shares without the need for printed stock certificates, but must register with a securities central custody organization.	All the shares of the company are registered ordinary shares, which are issued after being approved for registration, signed or stamped by the directors representing the company, and certified by a bank authorized to act as a stock issuance certifier. The company issues new shares without the need for printed stock certificates, but must register with a securities central custody organization.	Amendment to the Ordinance
Article 21	The notice of the board meeting shall be delivered to each director at least seven days prior to the meeting, by means of email or fax.	The notice of the board meeting shall be delivered to each director at least seven days prior to the meeting; however, in the event of an emergency, the meeting may be convened at any time, and this can be done via email or fax.	Consider practical needs
Article 32	If the company has annual profits, it should first offset the accumulated losses from previous years, and then allocate the remaining balance for employee and director remuneration. However, the director's remuneration shall not exceed five percent of the distribution amount, while the	If the company has profits for the year, it should first offset any accumulated losses from previous years. Then, the remaining balance will be allocated for the remuneration of employees (excluding grassroots employees) and directors. However, the remuneration for directors shall not exceed five percent of the distribution amount, while the	Amendment to the Ordinance

Item	Correct the previous article.	Revised Clause	Reason for Correction
	employee's remuneration shall not be less than one percent of the distribution amount. The company adopts a fixed and residual dividend policy based on the overall environment and characteristics of industry development, aiming for sustainable operation, continuous growth, and alignment with long-term financial planning. If the company has a surplus in its annual financial statements, it should first pay taxes, then offset any accumulated losses from previous years, allocate ten percent as statutory reserves, and subsequently allocate special surplus reserves as deemed appropriate. The remaining amount will be proposed by the board of directors for distribution to the shareholders' meeting for approval. When distributing dividends to shareholders, the cash dividends shall be maintained between thirty percent and seventy percent, but may be adjusted according to changes in the internal and external operating environment.	remuneration for employees (excluding grassroots employees) shall be allocated between one percent and three percent of the distribution amount. The grassroots employees are allocated compensation, with a distribution ranging from one percent to three percent. The company adopts a fixed and residual dividend policy based on the overall environment and characteristics of industry development, aiming for sustainable operation, continuous growth, and alignment with long-term financial planning. If the company has a surplus in its annual financial statements, it should first pay taxes, then cover any accumulated losses from previous years. After that, ten percent should be allocated to the statutory reserve. However, if the statutory surplus reserve has reached the amount of paid-in capital, no further allocation is required. The board of directors may propose an allocation for special surplus reserves, and the remaining amount will be submitted to the shareholders' meeting for approval. When distributing dividends to shareholders, the cash dividends shall be maintained between thirty percent and seventy percent, but may be adjusted according to changes in the internal and external operating environment.	
Article 35	This constitution was adopted on 26 December 1969, first amended on 10 May 1972, and second amended on 23 March 1973, The thirty-ninth amendment was made on 30 June 2015. The fortieth amendment was made on 24 June 2016. The forty-first amendment was made on 20	This constitution was adopted on 26 December 1969, first amended on 10 May 1972, and second amended on 23 March 1973, The thirty-ninth amendment was made on 30 June 2015. The fortieth amendment was made on 24 June 2016. The forty-first amendment was made on 20 June 2018. The forty-second amendment	

Item	Correct the previous article.	Revised Clause	Reason for Correction
	June 2018. The forty-second amendment was made on 17 June 2020. The forty-third amendment was made on 27 June 2022. The forty-fourth amendment was made on 25 June 2024.	was made on 17 June 2020. The forty-third amendment was made on 27 June 2022. The forty-fourth amendment was made on 25 June 2024. The forty-fifth amendment was made on 10 June 2025.	

Resolution:

IV. Election

Election of nine directors for the twentieth term (including three independent directors).

(Proposed by the Board of Directors)

Explanation: 1.The current term of office for the directors of the company will expire on 26 June 2025 and must be re-elected in accordance with the law. Their dismissal date is 20 June 2025, and an audit committee will be established to replace the supervisors.

2.Please select nine directors (including three independent directors) from the list of candidates for the company's board of directors for the 20th term. The term will commence on 20 June 2025 and end on 19 June 2028, lasting for three years.

3. The list of candidates for the board of directors is as follows:

Candidate Name	Educational background	Experience	Number of Shares
Lin Chuang-Ju	University	TongYe Investment - Directors Chung Liang- General Manager TongHwa Corporation- General Manager TongHwa Corporation- Chairman	375,121
Lin Chuang-Yeh	University	Chung Liang- Directors Chung Liang- supervisor TongHwa Corporation- Executive Vice. President TongHwa Corporation- General Manager	387,044
Chung Liang CO.,LTD Representative: Ling Ho-Whei	University	Chung Liang- Executive Director Three Bell- Executive Director TongHwa Corporation-Chairman TongHwa Corporation- Chief Strategy Officer	20,917,364
Jiang Zhi-Heng	University	East Fiber Technology- General Manager Cetech- supervisor TongHwa Corporation- vice president	65,227

NINGHAN DEVELOPMENT Representative: Huang Yu-Ching	University	Horwath Chien Hsing- Manager Siny Chemical Industirial- vice president	3,890,445
Chiu Cheng-Yi	University	Taipei City Association of Public and Private Elementary School Principal- Legal Adviser Liu&Associates- Senior Counsel Chiu Cheng-yi Law Firm- Director	0

4. The list of independent director candidates is as follows:

Candidate Name	Educational background	Experience	Number of Shares	Have you served for three consecutive terms? Independent Director
Lee Tsung-Ju	University	Deloitte Touche Tohmatsu Limited-Auditor Shangyi United Accounting Firm-Director Taiming Assurance Broker-Independent directors Forward Graphic Enterprise-Independent directors GAME HOURS Inc-Independent directors	0	No
Chen Wei-Tai	Master	YaodeInternationalSecurities Investment Advisory- Researcher Good Finance Securities-Head of Research Department Grand Fortune Securities-Investment Research Manager SOARING TECHNOLOGY-Directors Original BioMedicals- Directors	0	No
Yang Yu-Chien	Master	Red Sunrise-Vice President and Chief Financial Officer TAIWANCOOPERATIVE SECURITIES.-Underwriting Department of Senior Manager and Sales Manager Taichung Bank Securities-Underwriting Department of Senior Manager Yonggu Groop Inc- Director Grand Fortune Securities-Underwriting Department of Senior Manager CAPITAL SECURITIES CORP-Corporate Finance Manager	0	No

Election results:

V.Temporary motion:

VI. Adjournment:

Appendix I

Election Procedures for Directors of Tung Wah Group of Hospitals

19 June 2009
22 June 2012 first amendment
30 June 2015 Second Amendment
26 August 2021 Third Amendment

Article 1 The election of directors of the company shall be conducted in accordance with these regulations, unless otherwise provided by law or the articles of association.

Article 2 The election of directors of the company shall adopt the cumulative voting method. The voting rights of the shareholders may be represented by the attendance code printed on the ballot. Each share carries the same voting rights as the number of candidates to be elected, allowing for the election of one individual or the allocation of votes among multiple candidates.

The election ballot is prepared by the board of directors and annotated with its weight.

Article 3 The directors of the company shall be elected according to the quotas specified in the Articles of Association, with the election rights of independent directors and non-independent directors calculated separately, and the candidate with the greater number of votes shall be elected. If two or more persons have the same number of voting rights exceeding the specified quota, a draw shall be conducted among those with the same voting rights to determine the outcome. Absentees will be represented by the chairman in the drawing of lots.

Article 4 At the start of the election, the chairman shall appoint a number of scrutineers and ballot counters to perform various related duties.

Article 5 The ballot box shall be prepared by the Board of Directors and shall be publicly opened and inspected by the scrutineer before voting.

Article 6 When the government or a corporate shareholder is a candidate, the name of the corporation shall be filled in the candidate column of the ballot in accordance with the provisions of Article 27, Paragraph 1 of the Companies Ordinance, and may also fill in the name of the corporation and the name of its representative in accordance with the provisions of Paragraph 2 of the same article.

Article 7 Election ballots are invalid under any of the following circumstances:

1. Votes issued not in accordance with the provisions of Article 2 of these regulations.
2. If the same ballot lists two or more candidates.
3. Except for the names of the elected persons and their shareholder account numbers or identification card numbers, any additional text should be added.
4. Illegible handwriting that cannot be identified or has been modified.
5. The list of elected candidates and director nominees does not match after verification.
6. delete.
7. Those who cast a blank ballot into the ballot box.

Article 8 The election of directors shall set up a ballot box, which shall be opened by the scrutineer after voting.

Article 9 The votes shall be counted on-site immediately after voting is completed, with the counting supervised by the inspectors, and the results announced by the chairperson on the spot.

Article 10 The elected directors shall be issued a notice of election by the Board of Directors of the Company.

Article 11 These measures shall be implemented after being approved by the shareholders' meeting, and the same applies to any amendments.

Appendix II

Articles of Association of Tung Wah Group of Hospitals

Chapter I General Provisions

Article 1 The company is organized in accordance with the provisions of the Company Law and is named "Eastern China Dragon Co., Ltd.".

The English name is TongHwa Corporation.

Article 2 The business operations of the company are as follows:

(1) C801120 Synthetic Fiber Manufacturing Industry.

(2) F401010 International Trade Industry.

(3) F102030 Tobacco and Alcohol Wholesale Industry.

(4) F203020 Retail Trade of Tobacco and Alcohol.

(5) F203040 Cigar Retail Industry.

(6) F207200 Chemical Raw Materials Retail Industry.

(7) G202010 parking lot is in operation.

(8) G801010 Warehousing Industry.

(9) H201010 General Investment Industry.

(10) H701010 Residential and Building Development Rental and Sales Industry.

(11)H701020 Industrial Factory Development and Rental Sales.

(12)H701040 Development of specific professional zones H701040

(13)H701050 Investment in Public Construction Industry.

(14) H701080 Urban Renewal and Reconstruction Industry.

(15) H701090 Urban Renewal and Maintenance Industry.

(16) H703090 Real Estate Trading.

(17) H703100 Real Estate Leasing Industry.

(18) ZZ99999 may operate businesses that are not prohibited or restricted by law, aside from permitted businesses.

Article 2-1: The amount of the Company's investment in other entities may exceed forty percent of the paid-in capital. The company shall handle endorsement guarantee matters in accordance with the "Endorsement Guarantee Operating Procedures" due to business needs.

Article 3 The company shall establish its head office in Taipei City and may, when necessary, set up branches, offices, and other business units at other appropriate locations.

Article 4 (deleted)

Chapter II Shares

Article 5 The total capital of the company is NTD 2,638,552,610, divided into 263,855,261 shares, with each share valued at NTD TEN, issued in tranches.

Article 6 All shares of the company are registered ordinary shares, which shall be issued after being approved for registration, signed and sealed by more than three directors, and certified by the competent authority or an institution designated by it. The company issues new shares without the need for printed stocks, but should contact the securities central custody institution for registration.

Article 7 The company's share administration shall be conducted in accordance with the "Guidelines for the Administration of Publicly Issued Company Shares" promulgated by the competent authority.

Article 8 The registration of stock transfer shall be suspended within sixty days prior to the shareholders' annual meeting, within thirty days prior to the shareholders' extraordinary meeting, or within five days prior to the record date set by the company for the distribution of dividends, bonuses, or other benefits.

Article 9 (Removed)

Chapter III Shareholders' Meeting

Article 10 The company's shareholders' meetings are divided into regular meetings and extraordinary meetings. When convening a shareholders' meeting, it may be conducted via video conference or other methods announced by the competent authority. The regular meeting is held once a year, convened by the Board of Directors within six months after the end of each financial year. The extraordinary meeting shall be convened as required by law.

Article 11 The notice for the convening of the annual general meeting of shareholders shall be given to all shareholders at least 30 days in advance, and the notice for the convening of the extraordinary general meeting of shareholders shall be given at least 15 days in advance, and shall be announced in accordance with regulations.

Article 12 (deleted)

Article 13 The chairman of the board shall preside over the shareholders' meeting.
In the event that the Chairman is unable to perform his duties, the Vice Chairman shall act in his stead. If the Vice Chairman is also unable to perform his duties or if there is no Vice Chairman, a director designated by the Chairman shall act as the proxy. If the Chairman has not designated a proxy, the directors shall mutually recommend one person to act as the proxy.

Article 14 Resolutions of the shareholders' meeting, unless otherwise stipulated by relevant laws and regulations, shall require the attendance or proxy attendance of shareholders representing more than half of the total issued shares, and shall be decided by the consent of shareholders present holding more than half of the voting rights.

Article 15 Unless otherwise provided by the Companies Ordinance, each share of the Company shall carry one vote.

Article 16 When a shareholder appoints a proxy to attend the shareholders' meeting, the proxy must submit the power of attorney issued by the company five days prior to the meeting.

Except for trust businesses or stock agency institutions approved by the securities regulatory authority, when one person is entrusted by two or more shareholders at the same time, their proxy voting rights shall not exceed three percent of the total voting rights of the issued shares. Any voting rights exceeding this limit shall not be counted. A shareholder shall issue a power of attorney and appoint one person only.

Article 17 The resolutions of the shareholders' meeting shall be recorded in minutes, signed or sealed by the chairman, and kept at the company. The minutes shall be distributed to all shareholders within twenty days after the meeting. The distribution of the minutes of the previous item may be done by means of a public announcement.

Chapter IV Directors and the Board of Directors

Article 18 The company shall have seven to nine directors. The total shareholding ratio of all directors is in accordance with the regulations of the securities regulatory authority.

Among the number of directors mentioned in the previous section, the number of independent directors shall not be less than two and shall not be less than one-fifth of the total number of directors.

The company's directors (including independent directors) are elected through a candidate nomination system, with the shareholders' meeting selecting from the list of candidates for directors (including independent directors).

Article 19 The term of office for directors shall be three years, but they may bere-elected consecutively.

The term of office for a director appointed to fill a vacancy or due to an increase in the number of positions shall be the same as that of their predecessor or other serving directors.

Article 19-1: The remuneration of directors shall be determined by the Board of Directors in accordance with the usual standards of the industry.

Article 20 The Board of Directors shall, unless otherwise provided by the Companies Ordinance, deliberate on the following matters:

(1) Amendment of the Articles of Association

(2) Business Plan

(3) Budget and Final Accounts

(4) Distribution of profits and losses

(5) Foreign Investment and Its Disposal

(6) Appointment and Dismissal of Important Staff

(7) Acquisition and transfer of significant assets

(8) Establishment and dissolution of branches

(9) Increase or decrease of capital

(10) Other matters stipulated by the Companies Ordinance or these Articles of Association.

Article 21 The notice of the board meeting shall be delivered to each director at least seven days prior to the meeting, which may be done via email or fax.

Article 22 The board of directors shall be convened by the chairman, unless otherwise provided by the Companies Ordinance. In the event that the chairman is unable to perform his duties, the vice chairman shall act on his behalf. If the vice chairman is also unable to perform his duties or if there is no vice chairman, a director designated by the chairman shall act as the proxy. If the chairman has not designated a proxy, the directors shall mutually recommend one person to act as the proxy.

Article 23 The resolution of the board of directors, unless otherwise provided by the Companies Ordinance, shall require the presence of a majority of directors and the approval of a majority of the attending directors.

Directors may appoint other directors to attend board meetings on their behalf, but the appointed directors shall be limited to the appointment of one director.

Article 24 The company shall elect one person as the chairman of the board of directors by a two-thirds majority of the directors present and with the consent of more than half of the attending directors.

The Chairman presides over all business affairs of the company and represents the company.

The company shall have one vice chairman elected by the directors in the manner specified above.

The Vice Chairman assists the Chairman, and in the event that the Chairman is unable to perform their duties, the Vice Chairman shall act on their behalf.

Chapter V Audit Committee

Article 25 Delete

Article 26 Delete

Article 26-1 Deleted

Article 27 Delete

Article 27-1 The Company shall establish an audit committee in accordance with Article 14-4 of the Securities and Exchange Act. The audit committee shall be composed of all independent directors, and the exercise of powers and related matters of the audit committee and its members shall be handled in accordance with the relevant provisions of the Securities and Exchange Act.

ChapterVI Manager

Article 28 The Company may appoint several General Managers and Deputy General Managers, whose appointment, dismissal, and remuneration shall be handled in accordance with the provisions of Article 29 of the Company Law; their powers shall be authorized by a resolution of the Board of Directors, and the Board of Directors may authorize the Chairman to make the decision.

Article 29 The General Manager, under the instruction of the Chairman, shall oversee all business operations of the company, assisted by the Deputy General Manager.

Chapter VII Accounting

Article 30 The accounting year of the Company shall commence on 1 January and end on 31 December of each year, with final accounts prepared at the end of each accounting year.

Article 31 When distributing profits, the shareholders recorded in the register of shareholders as of the record date set by the company shall prevail.

Article 32 In the event of annual profits, the Company shall first offset any accumulated losses from previous years, and then allocate the remaining balance for employee and director remuneration; however, the remuneration for directors shall not exceed five percent of the distribution amount, while the remuneration for employees shall not be less than one percent of the distribution amount.

The company adopts a fixed and residual dividend policy based on the overall environment and characteristics of industry development, aiming for sustainable operation, continuous growth, and alignment with long-term financial planning.

If the company has a surplus in its annual financial statements, it should first pay taxes, then make up for accumulated losses from previous years, allocate ten percent as statutory reserves, and subsequently allocate special surplus reserves at its discretion. The remaining amount will be proposed by the board of directors for distribution to the shareholders' meeting for approval. When distributing dividends to shareholders, the cash dividends shall be maintained between thirty percent and seventy percent, but may be adjusted according to changes in the internal and external operating environment.

Chapter IX Supplementary Provisions

Article 33 The company's organizational regulations and operational procedures shall be determined by the Board of Directors.

Article 34 Matters not provided for in these regulations shall be handled in accordance with the provisions of the Company Law.

Article 35 This constitution was established on 26 December 1969, with the first amendment on 10 May 1972, the second amendment on 23 March 1973, the third amendment on 8 April 1974, the fourth amendment on 3 September 1974, the fifth amendment on 25 April 1975, the sixth amendment on 15 December 1975, the seventh amendment on 17 February 1976, the eighth amendment on 30 March 1977, the ninth amendment on 18 May 1978, the tenth amendment on 15 June 1979, the eleventh amendment on 30 July 1980, the twelfth amendment on 15 May 1981, the thirteenth amendment on 25 May 1982, the fourteenth amendment on 31 May 1983, the fifteenth amendment on 18 June 1984, the sixteenth amendment on 20 June 1985, the seventeenth amendment on 30 May 1986, the eighteenth amendment on 25 May 1987, the nineteenth amendment on 26 May 1988, and the twentieth amendment on 26 May 1989. The twenty-first amendment was made on 6 June 1990. The twenty-second amendment was made on 30 May 1991. The twenty-third amendment was made on 26 May 1992. The twenty-fourth amendment was made on 28 May 1993. The twenty-fifth amendment was made on 25 May 1994. The twenty-sixth amendment was made on 31 May 1995. The twenty-seventh amendment was made on 31 May 1996. The twenty-eighth amendment was made on 26 May 2000. The twenty-ninth amendment was made on 31 May 2001. The thirtieth amendment was made on 19 June 2002. The thirty-first amendment was made on 11 June 2004 in China. The thirty-second amendment was made on 14 June 2005 in China. The thirty-third amendment was made on 14 June 2006. The thirty-fourth amendment was made on 13 June 2008. The thirty-fifth amendment was made on 19 June 2009. The thirty-sixth amendment was made on 3 May 2010. The thirty-seventh amendment was made on 22 June 2012 in China. The thirty-eighth amendment was made on 11 June 2013. The thirty-ninth amendment was made on 30 June 2015. The fortieth amendment was made on 24 June 2016. The forty-first amendment was made on 20 June 2018. The forty-second amendment was made on 17 June 2020. The forty-third amendment was made on 27 June 2022. The forty-fourth amendment was made on 25 June 2024.

Appendix III

Rules of Procedure for the Shareholders' Meeting of Tung Wah Holdings Limited

August 30, 1966 Approved by the shareholders' extraordinary meeting
May 27, 1998 First Amendment to the Shareholders' Meeting
19 June 2002 Second Amendment of the Shareholders' Meeting

1. The company's shareholders' meeting shall be conducted in accordance with these rules.

2. Shareholders (or their proxies) are requested to bring their attendance cards and submit the sign-in card as a substitute for signing in.

3. Unless otherwise provided by the Companies Ordinance, the chairman shall declare the meeting open if shareholders representing more than half of the total number of issued shares are present. If the meeting time has passed and the number of statutory shares is still insufficient, the chairman may announce a postponement of the meeting, limited to two times, with the total postponement time not exceeding one hour. If the attendance of shareholders representing more than one-third of the total issued shares is still insufficient after two postponements, it may be handled in accordance with Article 175 of the Companies Ordinance, with the consent of more than half of the voting rights of the attending shareholders constituting a deemed resolution. Before the conclusion of the meeting, if the number of shares represented by the attending shareholders meets the legal requirement, the chairman may declare the meeting officially opened at any time and submit the resolutions that have been made for ratification by the assembly.

4. The location of the company's shareholders' meeting shall be at the company's place of business or at a location convenient for shareholders to attend and suitable for holding the shareholders' meeting. The meeting shall not commence earlier than 9:00 AM or later than 3:00 PM.

5. If the shareholders' meeting is convened by the board of directors, the chairman shall be served by the chairman of the board. If the chairman is on leave or unable to exercise his

powers for any reason, the vice chairman shall act on his behalf. If there is no vice chairman or if the vice chairman is also on leave or unable to exercise his powers for any reason, a managing director designated by the chairman shall act on his behalf; if no managing director is appointed, a director designated by the chairman shall act on his behalf. If the chairman has not appointed a representative, a managing director or director shall mutually recommend one person to act on his behalf.

If the shareholders' meeting is convened by someone other than the board of directors who has the right to convene, the chairperson shall be held by that convening party. If there are two or more convening parties, they shall mutually elect one person to serve as chairperson.

6. The Company may appoint its designated lawyers, accountants, or relevant personnel to attend the shareholders' meeting.

   The personnel handling the shareholders' meeting should wear identification badges or armbands.

7. The company shall record the entire process of the shareholders' meeting by audio or video, and retain it for at least one year.

8. The agenda of the shareholders' meeting of the company, if convened by the board of directors, shall be determined by the board of directors, and the meeting shall proceed according to the scheduled agenda, which shall not be changed without a resolution of the shareholders' meeting.

   If the shareholders' meeting is convened by someone other than the board of directors who has the right to convene, the provisions of the preceding paragraph shall apply.

   Before the conclusion of the agenda for the first two items (including any motions), the chairperson shall not unilaterally declare the meeting adjourned without a resolution.

   However, the chairman violated the rules of procedure by announcing that those who adjourned the meeting could attend the shareholders' vote to select one person to serve as chairman and continue the meeting.

   Except for the circumstances mentioned above, after the meeting adjourns, shareholders shall not re-elect a chairman at the original location or seek another venue to continue the meeting.

9. When attending the shareholders' speech, it is necessary to fill in the main points of the speech, shareholder account number (or attendance certificate number), and account name on a speech card, and submit it to the service desk to be passed on to the chairman in order of priority. Shareholders who only submitted speaking slips but did not speak will be regarded as having not spoken. In case of discrepancies between the content of the speech and the recorded notes, the content of the speech shall prevail.

10. During the attendance of shareholders' speeches, each time shall not exceed five minutes, but those permitted by the chairman may extend for an additional five minutes. If the speech exceeds the time limit or goes beyond the scope of the proposal, the chairperson may stop the speech.

    During the shareholders' speech, other shareholders may not speak or interfere without the consent of the chairman and the speaking shareholder; violators should be stopped by the chairman.

11. Each shareholder (or proxy) may speak no more than twice on the same proposal.

12. During the discussion of the proposal, the chairman may declare the discussion concluded at an appropriate time and may suspend the discussion if necessary. Upon declaring the conclusion or suspension of the discussion on the agenda item, the chairman shall submit it for voting.

13. The resolution shall be passed with the consent of more than half of the voting rights of the attending shareholders, unless otherwise provided by the Companies Ordinance and the Articles of Association. During the voting process, if there are no objections raised by the Chairman after consultation, it shall be deemed passed, and its effect shall be the same as that of a voting decision.

14. After the shareholders' speech, the chairman shall personally or designate relevant personnel to respond.

15. The personnel for monitoring and counting the votes on the proposal shall be designated by the chairman, but the monitoring personnel must have shareholder status. The results of the vote should be reported on the spot and recorded.

16. When the same proposal has amendments or alternatives, the chairman shall determine the order of voting together with the original proposal. If one of the proposals has been approved, the other proposals shall be deemed rejected and shall not require further voting.

17. Each shareholder has one vote per share. Shareholders may appoint agents to attend the shareholders' meeting. When one person is appointed by more than two shareholders simultaneously, the voting rights they represent shall not exceed three percent of the total voting rights of the issued shares. Any voting rights exceeding this limit shall not be counted.

18. Shareholders with a personal interest in the matters of the meeting that may harm the interests of the company shall not participate in the voting and shall not authorize other shareholders to exercise voting rights on their behalf.

19. When a legal entity is entrusted to attend the shareholders' meeting, it may only appoint one person to represent it.

    When a corporate shareholder appoints more than one representative to attend the shareholders' meeting, only one person may speak on the same proposal.

20. The chairman shall direct the inspectors (or security personnel) to assist in maintaining order at the venue. When the inspectors (or security personnel) are present to assist in maintaining order, they should wear an armband with the words "Inspector".

21. During the meeting, the chairman may declare a break at his discretion.

22. Matters not specified in these rules shall be handled in accordance with the provisions of the Companies Ordinance and the Articles of Association of the Company.

23. These rules shall come into effect after being approved by the shareholders' meeting, and the same applies to any amendments.

IV. Shareholdings of Directors

Book closure date: April 12, 2025

I. Current Shareholding Details of Directors

Title	Name	Stop Transfer Date Number of Shares
Chairman	Lin Chuang-Ju	375,121
Director	Lin Chuang-Yeh	387,044
Director	Chung Liang CO.,LTD. Representative: Lin Ho-Whei	20,917,364
Director	Jiang Zhi-Heng	65,227
Director	Ninghan Development Co., Ltd. Representative: HUANG, YU-CHING	3,890,445
Independent Director	Lee Tsung-Ju	0
Independent Director	CHIU CHENG Yi	0
Independent Director	Chen Wei-Tai	0

II. The Minimum Shareholdings of Total Directors by Law and Actual Shareholding:

Title	Shareholdings by Law	Actual Shareholding
Directors	4,546,744	25,635,201