

Stock Code: 2327

YAGEO Corporation

2026 Annual Shareholders' Meeting

Meeting Agenda

(Translation)

Date: May 27, 2026

Place: 3F, No. 265, Sec. 3, Beishen Rd., Shenkeng Dist., New Taipei City, Taiwan

VIP 1 Conference Room, HIONE Holiday Hotel

Shareholders meeting will be held by means of physical meeting

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YAGEO Corporation

Year 2026

Procedure for Annual Shareholders' Meeting

- I. Call the Meeting to Order
- II. Chairperson Remarks
- III. Report Items
- IV. Ratification
- V. Discussions
- VI. Extraordinary Motions
- VII. Adjournment

YAGEO Corporation

2026 Annual Shareholders' Meeting

Agenda

Shareholders meeting will be held by means of physical meeting

1. Time: Wednesday 9:00 a.m. on May 27, 2026
2. Place: VIP 1 Conference Room, HIONE Holiday Hotel 3F, No. 265, Sec. 3, Beishen Rd., Shenkeng Dist., New Taipei City, Taiwan
3. Chairperson Remarks
4. Report Items:
 - a. 2025 Annual Business Report.
 - b. Year 2025 Audit Committee's Review Report.
 - c. Year 2025 Earnings Distribution Report.
 - d. Report on 2025 employees' and directors' remuneration.
 - e. Report on the amendments to the Sustainable Development Best Practice Principles.
 - f. Corporate Bond Issuance Status.
5. Ratification:
 - a. Adoption of the 2025 Closing Accounts.
6. Discussions:
 - a. Amendment to the Articles of Incorporation.
 - b. Discussion on the issuance of Employee Restricted Stock Awards.
 - c. Amendment to the Procedures for the Acquisition and Disposal of Assets.
7. Extraordinary Motions
8. Adjournment

Report Items

Item a: 2025 Annual Business Report

YAGEO Corporation 2025 Annual Business Report

Dear Shareholders:

In 2025 we achieved record high sales while expanding Gross Margin, Operating Margin, Net Income, and Earnings Per Share. This was achieved by executing with focus our strategy of growing our premium markets and products, developing deeper relationship with our customers, realizing synergy from our acquisitions, disciplined control of expenses and inventory, and transforming our organization and how we work.

YAGEO has truly become a platform company with the stability and resiliency to help us navigate and win in a turbulent macroeconomic and geopolitical environment. This has also enabled us to capture the opportunities across all the end markets where we compete and especially in Artificial Intelligence; and we will continue to work towards being built into tomorrow.

1. 2025 Financial Performance:

2025 consolidated sales reported NT\$ 132,930 million with gross margin rate of 36.2%. The operating income reached NT\$ 29,801 million with 22.4% operating profit margin. Net consolidated profits after tax attributable to parent company amounted to NT\$ 23,634 million or earnings per share of NT\$ 11.51.

YAGEO is continuing to focus on high-end product development, with research and development expenses reaching NT\$3.419 billion in 2025. Across fields such as resistors, capacitors, inductors, as well as circuit protection components, wireless components, and sensors, YAGEO's R&D, design, and manufacturing capabilities remain industry-leading, and it holds numerous patents in various countries.

2. 2025 Budget Execution Rate:

Not applicable. YAGEO did not disclose financial projection for 2025.

3. Financial Ratio Analysis:

Financial Ratio		2025
Capital Structure	Debt Ratio (%)	55.48
	Long-term Funds to Fixed Asset (%)	390.03
Liquidity	Current Ratio (%)	121.51
Profitability indicator	Return on Asset (%)	6.86
	Return on Equity (%)	14.13
	Net Profit Margin (%)	17.89
	Earnings Per Share (NT\$)	11.51

4. 2026 Operating Plan:

YAGEO will implement the following business development strategies and continue creating

value for its shareholders, customers and employees.

- (1) Achieve annual revenue and profit targets: continue to expand into high-end markets such as Europe, the United States, and Japan, deepen long-term cooperative relationships with customers, and return to the revenue and profit growth mode.
- (2) Effective expense control and inventory management: Control expenses according to the achievement of revenue targets, and achieve efficient inventory management through flexible procurement strategies and capacity planning.
- (3) Grow organically and through M&A by: Continuing to integrate and unlock synergy in recently acquired Sensors businesses as well as further expanding our platform through acquisitions.
- (4) Expand high-end markets and increase the proportion of premium products: Continue to optimize product mix and customer portfolio, enhance global strategic partnerships, and focus on future technology applications and expand market share of premium business in Europe, America and Japan.

YAGEO is the world's only electronic component and service provider who has all three of the main pillars of the passive component industry—resistors, capacitors, and inductors, with each of the products having the leading position among its peers. Moreover, YAGEO has extended its product portfolio to circuit protection components, wireless components and sensors. After years of international acquisitions and internal product portfolio optimization, YAGEO has transformed to a premium solution platform provider with high design-in capability and extensive reach into those hard to penetrate segments and markets. YAGEO will continue to implement its transformation strategy, expand the proportion of premium business and global scale, and provide customers with global one-stop high-quality services through comprehensive product portfolios, focusing on Artificial Intelligence, high-end automotive, industrial, aerospace, smart healthcare, and telecom segments to establish sustainable business strength and create higher value for our shareholders and the industry. I would like to thank our shareholders for your long-term and continuous support to Yageo, and wish you all good health and happiness.

Chairman: Tie-Min Chen

CEO: Deng-Rue Wang

Chief Accounting Officer: Kevin Yang

Item b: Year 2025 Audit Committee's Review Report

YAGEO Corporation Audit Committee's Review Report

The Board of Directors has approved the Company's 2025 Financial Statements, Business Report, and proposal for distribution of earnings. The CPA firm of Deloitte and Touche, which was appointed by the Board of Directors, has audited the Company's 2025 Financial Statements and issued an unqualified opinion.

We have examined the Company's 2025 Financial Statements, Business Report, and the proposal for distribution of earnings that have been approved by the Board of Directors. We hereby respectfully prepare and present this Report in accordance with Article 14-4 of Securities and Exchange Law and Article 219 of The Company Act for your review.

YAGEO Corporation

Chairman of the Audit Committee: Cheng-Ling Lee

February 25, 2026

Item c: Year 2025 Earnings Distribution Report

- Explanation: 1. For the Company's future working capital needs, Board of Directors resolved no dividend distribution for the first half year of 2025 on October 30, 2025.
2. 2025 net profit is NT\$ 23,634,228,755. The total amount of items other than net profit after tax in the current period after being included in the undistributed surplus for the current year is NT\$ 23,684,519,821. After setting aside the legal reserve of NT\$ 2,368,451,982, reversing special reserve of NT\$ 16,595,728, and then adding undistributed beginning retained earnings of NT\$ 73,724,984,773, the retained earnings available for distribution are NT\$ 95,057,648,340, of which, NT\$ 12,344,344,368 will be distributed as cash dividends to shareholders, approximately NT\$ 6 per share.
3. The cash dividend is issued to the rounded full NT dollar, and any distributed amounts less than NT\$1 will be transferred to the Company's other revenues.
4. In the event that, before the distribution record date, the proposed earnings distribution of cash dividends per share is affected by an amendment by the competent authorities, or the number of actual shares outstanding, the Chairman be authorized to handle matters related to the changes. The dividend distribution of 2025 has been approved by the Boards of Directors on February 25, 2026.

Yageo Corporation
Earnings Distribution Proposal
Year 2025

Item	Amount (In NTD)
Undistributed retained earnings, beginning	73,724,984,773
2025 Net profit	23,634,228,755
Add : Disposal of investments in equity instruments designated at fair value through other comprehensive income	19,524,874
Add : Recognize the remeasurements of defined benefit plans in retained earnings	30,766,192
Total amount of net profit for the period and other profit items adjusted to the current year's undistributed retained earnings	23,684,519,821
Less : 10% Legal reserve	(2,368,451,982)
Add : Special reserve	16,595,728
Total retained earnings available for distribution	95,057,648,340
Appropriations:	
Common share dividend - Cash	(12,344,344,368)
Undistributed retained earnings, end	82,713,303,972

Note: There is no dividend distribution for the first half year of 2025.

Chairman: Tie-Min Chen

CEO: Deng-Rue Wang

Chief Accounting Officer: Kevin Yang

Item d: Report on 2025 employees' and directors' remuneration

Explanation: 1. In accordance to the authority's regulations and Company's Articles of Incorporation to set aside not less than 2% of pre-tax income before deduction of employees' compensation and remuneration to directors for employee compensation, and not more than 3% for director remuneration. In addition, from the total amount of employee compensation appropriated as described above, at least 1% of the aforementioned pre-tax income shall be distributed to non-executive employees.

2. Employees' compensation for 2025 is NT\$760,132,803 (3%), and remuneration to directors is NT\$760,132,803 (3%), based on pre-tax income before the deduction of employees' compensation and remuneration to directors. Of the employee compensation, NT\$542,274,800 attributable to non-executive employees was accrued at 2.14% of the aforementioned pre-tax income. All amounts are proposed to be distributed in cash.

Item e: Report on the amendments to the Sustainable Development Best Practice Principles

Explanation: The Company's "Sustainable Development Best Practice Principles " is to be partially amended in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", and a detailed amendment comparison table is provided in Attachment I.

Item f: Corporate Bond Issuance Status.

Explanation: To raise capital by issuing the bonds is put to working capital, debt repayment, capital expenditure and business expansion., the Company issued bonds as following:

Detail	2021 1st unsecured corporate bond	2021 2nd unsecured corporate bond B	2022 1st unsecured corporate bond	2026 1st unsecured corporate bond -A	2026 1st unsecured corporate bond -B
Date of Resolution	April 21,2021	August 27,2021	January 3,2022	December 30 ,2025	
Date of Issuance	May 3,2021	September 3,2021	January 12,2022	January 7,2026	
Trading Market	Taipei Exchange				
Total Issuance Amount	NT\$5,500,000,000	NT\$3,500,000,000	NT\$4,500,000,000	NT\$1,000,000,000	NT\$4,000,000,000
Denomination	NT\$1,000,000				
Issue Price	100% of par value				
Conversion Price of Issuance	NA				
Issue Period	5 years, due date on May 3, 2026	5 years, due date on September 3, 2026	5 years, due date on January 12, 2027	3 years, due date on January 7, 2029	5 years, due date on January 7, 2031
Coupon Interest	Fixed rate 0.68% per annum	Fixed rate 0.60% per annum	Fixed rate 0.73% per annum	Fixed rate 1.75% per annum	Fixed rate1.80% per annum
Redemption	On due date, the bonds will be redeemed in whole				
Trustee	CTBC Bank Co., Ltd.				
Transfer Agent	Taishin Securities Co., Ltd.				
Use of Proceeds	To repay loan and was executed in Q2 2021	To repay loan and was executed in Q3 2021.	To repay loan and was executed in Q1 2022.	To repay loan and was executed in Q1 2026.	

Ratification:

Item a

Proposal: Adoption of the 2025 Closing Accounts (Proposed by the Board of Directors)

Explanation: 1. The Company's business report, financial statements, consolidated financial statements and earnings distribution table of 2025 have been approved by the Board of Directors and examined by the Audit Committee of the Company.

2. Please refer to pages 3~7 and those attached as Attachment II.

3. Please ratify.

Resolution:

Discussions:

Item a

Amendments to the Articles of Incorporation. (Proposed by the Board of Directors)

Explanation: Proposed amendments to certain provisions of the Company's Articles of Incorporation; please refer to Attachment III for a comparison table of the provisions before and after revision.

Resolution:

Item b

Discussion on the issuance of Employee Restricted Stock Awards. (Proposed by the Board of Directors)

Explanation: 1. In order to attract, retain, and incentivize the Company's senior management to focus on long-term value performance as to materialize the goals of pursuing interest for the Company and its shareholders and consolidating common interest between the remuneration and rewards of the Company's senior management and shareholders, the Company proposes to issue Employee Restricted Stock Awards. The details of the proposal are listed below:

1-1. To be eligible for New Restricted Employee Shares, an employee must maintain full-time employment status with the Company including its subsidiaries as of the date of the issuance of the said Shares, have met prescribed job performance standard, have been assigned duties that are highly connected with the Company's future strategy and development, play a key role and thus may bring about significant impact on the Company's operation or possess certain critical or core techniques.

The actual number of New Restricted Employee Shares allotted to each employee shall be determined based on factors such as job grade, performance evaluation, overall contribution, special merits, and other managerial considerations. The allocation standards shall be approved by the Chair of the Board and Chief Executive Officer ("CEO"), and submitted to the Board for approval.

1-2. The total number of the New Restricted Employee Shares to be issued under these Regulations shall be 6,000,000 shares of common stock, each with a par value of NT\$2.5. If the Company changes the par value of its shares, the number of shares to

be issued shall be adjusted proportionally.

- 1-3. Terms and conditions for vesting: To become fully vested after allotment of New Restricted Employee Shares (on the capital increase reference date) an employee must satisfy the conditions that she/he must hold valid full-time employment status with the Company as of each vested date; that she/he must not violate the employment contract, employee rules, non-competition clause, non-disclosure agreement or any agreement that she/he may have agreed and/or entered with the Company and that the Company must succeed in meeting the performance goals prescribed by the Company. The said Shares are to be vested at 32% for 2027, 34% for 2028 and 34% for 2029 on each respective annual vested date, among which the said Shares are to be vested based on service conditions at 11% for 2027, 12% for 2028 and 12% for 2029 and to be vested based on performance conditions at 21% for 2027, 22% for 2028 and 22% for 2029. The actual performance-conditioned payout percentages and the actual quantities to be vested shall be calculated based on the achievement rates for the 1st fiscal year's performance goals in the performance evaluation period as prescribed by the Company. The quantity of vested shares as determined by the said goal will be calculated to integer number, where any fraction of one share will be discarded unconditionally.
- 1-4. The Company's EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) will be the goal to measure the performance. The threshold of performance achievement is 80%; the target performance achievement is 100% and the upper-limit performance achievement is 125%. The percentage of vested shares is 0% if the performance achievement is lower than the threshold; 50% if the performance achievement equals to the threshold; 100% if the performance achievement meets the target and 150% if the performance achievement equals to or exceeds upper-limit. For achievement rates between the threshold and target, or between the target and upper-limit, the vesting percentage is calculated by linear interpolation, rounded to the nearest hundredth decimal place.
- 1-5. Calculated expense amount: Based on the vesting conditions, the total estimated expense is approximately NT\$566,401 thousand. If issued in 2026, based on the aforementioned assumptions, the estimated expenses for 2026 through 2028 are approximately NT\$181,249 thousand, NT\$192,576 thousand, and NT\$192,576 thousand, respectively.
- 1-6. Dilution of the Company's earnings per share (EPS) and Other matters affecting shareholder's equity: Based on the Company's current number of shares outstanding, its impact to the diluted earnings per share is NTD0.09, NTD0.09 and NTD0.09 in each year. The impact is limited and not significant to the shareholder equity.
- 1-7. Limitations of rights associated with unvested shares: Before an employee who has been allocated the New Restricted Employee Shares under the Regulations satisfies the vesting conditions, the employee shall not have the subscription rights for cash capital increase. All other rights, including but not limited to: cash dividends, stock dividends, allocations from legal reserve and capital reserve, shall be the same as those attached to the Company's issued common shares. Notwithstanding the foregoing, employees whose New Restricted Employee Shares have not yet vested shall not be entitled to receive any cash dividends or stock dividends allocated in respect of such shares and deposited with the securities trust custodian. The handling and distribution of such dividends and relevant matters shall be conducted in

accordance with the trust custody agreement.

Prior to the satisfaction of vesting conditions by an employee who has been allocated New Restricted Employee Shares, the exercise of rights to attend, propose, speak, vote, stand as candidate in shareholder's meeting and any other shareholder rights at the Company's shareholders' meeting shall be subject to the provisions of the trust custody agreement.

- 1-8. An employee having been allocated New Restricted Employee Shares may not sell, pledge, transfer, donate, create encumbrance or make any other disposal of the said Shares before the terms and conditions for vesting the said Shares have been satisfied, except for inheritance.
2. Please refer to Attachment IV for the 2026 New Restricted Employee Shares Issuance Regulations.

Resolution:

Item c

Amendment to the Procedures for Acquisition and Disposal of Assets. (Proposed by the Board of Directors)

Explanation: In accordance with the newly added provisions of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies, it is proposed to amend certain provisions of the Company's Procedures for Acquisition and Disposal of Assets. Please refer to Attachment V for a comparison table of the provisions before and after revision.

Resolution:

Extraordinary Motions

Adjournment

Attachment I :

**Comparison Table for the Sustainable Development Best Practice Principles
Before and After Amendment**

Original article	Before the Amendment	Amended article	After the Amendment	Explanation
Chapter 3 Fostering a Sustainable Environment	Article 15 The Company shall take into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact on the natural environment and human beings from business operations: 1.Reduce resource and energy consumption of their products and services. 2.Reduce emission of pollutants, toxins and waste, and dispose of waste properly. 3.Improve recyclability and reusability of raw materials or products. 4.Maximize the sustainability of renewable resources. 5.Enhance the durability of products. 6.Improve efficiency of products and services.	Chapter 3 Fostering a Sustainable Environment	Article 15 The Company shall take into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact on the natural environment and human beings from business operations: 1.Reduce resource and energy consumption of their products and services. 2.Reduce emission of pollutants, toxins and waste, and dispose of waste properly. 3.Improve recyclability and reusability of raw materials or products. 4.Maximize the sustainability of renewable resources. 5.Enhance the durability of products. 6.Improve efficiency of products and services. <u>7.Enhance the conservation of marine and terrestrial biodiversity and ecosystems, promote the sustainable use of resources, and ensure fair and equitable benefits.</u>	Amended in accordance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
Chapter 4 Preserving Public Welfare	Article 21 The Company shall create an environment conducive to the development of employees' careers and establish effective training programs to foster career skills.	Chapter 4 Preserving Public Welfare	Article 21 The Company shall create an environment conducive to the development of employees' careers and establish effective training programs to foster career skills. <u>It is advisable for the Company to establish</u>	Amended in accordance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

Original article	Before the Amendment	Amended article	After the Amendment	Explanation
	The Company shall establish and implement reasonable employee welfare measures (including remuneration, leave and other welfare etc.) and appropriately reflect the business performance or achievements in the employee remuneration, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.		<u>placement programs to cultivate future industry talents.</u> The Company shall establish and implement reasonable employee welfare measures (including remuneration, leave and other welfare etc.) and appropriately reflect the business performance or achievements in the employee remuneration, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.	
Chapter 6 Supplementary Provisions	Article 31 The Procedures were enacted on November 10, 2020. The 1st amendment was made on March 17, 2022.	Chapter 6 Supplementary Provisions	Article 31 The Principles were enacted on November 10, 2020. The 1st amendment was made on March 17, 2022. <u>The 2nd amendment was made on October 30, 2025.</u>	Amended in accordance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

Attachment II :

Independent Auditors' Report and Financial Statements

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Yageo Corporation

Opinion

We have audited the accompanying consolidated financial statements of Yageo Corporation (the “Company”) and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, based on our audits and the reports of other auditors (refer to the other matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in our audit of the consolidated financial statements for the year ended December 31, 2025 is as follows:

Impairment Assessment of Goodwill

The Group's goodwill mainly arose from a business combination. The goodwill amounted to NT\$78,429,533 thousand, representing 20% of the Group's total consolidated assets as of December 31, 2025.

The Group estimated the recoverable amount of each cash-generating unit using the discounted cash flow method. The assumptions and parameters, such as the discount rate and future revenue growth, involve significant estimates and judgments by management. These assumptions and parameters may also be influenced by future market or economic conditions. Because the impairment test involves a high degree of uncertainty, any changes in the relevant estimates or assumptions could have a significant impact on the outcome of the goodwill impairment assessment; therefore, we considered a test of goodwill for impairment assessment as a key audit matter for the annual audit.

Refer to Note 4 to the consolidated financial statements for accounting policies. The key audit matter procedures we performed are described as follows:

1. We obtained an understanding of the processes of internal controls related to impairment assessment and evaluated the design, implementation, and operating effectiveness of internal controls.
2. We obtained the impairment testing evaluation model and assessed whether the adopted methods, assumptions, discount rates, and related parameters were reasonable.
3. We performed sensitivity analysis on the assumptions and parameters used in the evaluation model to assess whether there was any impairment.

Other Matter

We did not audit the financial statements of certain subsidiaries and investees accounted for using the equity method included in the consolidated financial statements of the Group, but such statements were audited by other auditors. Our opinion, insofar as it relates to the amounts included for certain subsidiaries and investees accounted for using the equity method, is based solely on the reports of other auditors. The total assets of these subsidiaries were NT\$7,739,729 thousand, representing 2.11%, of the Group's total consolidated assets as of December 31, 2024, and the total revenue of these subsidiaries was NT\$2,253,955 thousand, representing 1.85%, of the Group's total consolidated revenue for the year ended December 31, 2024. The total investments in these investees accounted for using the equity method were NT\$9,575,029 thousand and NT\$5,161,888 thousand, representing 2.45% and 1.41% of the Group's total consolidated assets as of December 31, 2025 and 2024, respectively, and the total share of profit or loss of associates were NT\$147,295 thousand and NT\$12,410 thousand, representing 0.47% and 0.05% of the Group's total consolidated profit before income tax for the years ended December 31, 2025 and 2024, respectively.

We have also audited the parent company only financial statements of the Company as of and for the years ended December 31, 2025 and 2024, on which we have issued an unmodified opinion with other matter paragraph.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Meng-Chieh Chiu and Chun-Yu Wang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 16, 2026

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

YAGEO CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 81,473,484	21	\$ 61,117,610	17
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	1,097,041	-	1,643,395	-
Financial assets at amortized cost - current (Notes 4 and 9)	15,537,228	4	39,060,583	11
Financial assets for hedging - current (Notes 4 and 10)	-	-	317,773	-
Notes receivable (Notes 4 and 11)	255,249	-	186,077	-
Trade receivables (Notes 4, 11 and 32)	27,536,331	7	21,783,062	6
Other receivables (Notes 4 and 32)	2,718,031	1	3,062,813	1
Inventories (Notes 4 and 12)	31,635,578	8	27,823,123	7
Prepayments	4,216,481	1	2,774,580	1
Other current assets	876,394	-	519,034	-
Total current assets	165,345,817	42	158,288,050	43
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	598,049	-	633,039	-
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	1,682,915	1	1,547,620	1
Financial assets at amortized cost - non-current (Notes 4 and 9)	27,538,521	7	26,361,044	7
Investments accounted for using the equity method (Notes 4, 5 and 14)	15,383,021	4	10,848,467	3
Property, plant and equipment (Notes 4, 5, 15 and 33)	65,304,773	17	66,410,324	18
Right-of-use assets (Note 4)	2,901,940	1	2,416,951	1
Investment properties (Notes 4 and 16)	369,814	-	383,707	-
Goodwill (Notes 4, 5 and 17)	78,429,533	20	65,760,760	18
Other intangible assets (Notes 4 and 18)	28,270,299	7	29,165,127	8
Deferred tax assets (Notes 4 and 25)	3,536,971	1	3,670,189	1
Refundable deposits	462,811	-	407,227	-
Other non-current assets	964,691	-	783,402	-
Total non-current assets	225,443,338	58	208,387,857	57
TOTAL	\$ 390,789,155	100	\$ 366,675,907	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 19 and 33)	\$ 8,568,759	2	\$ 15,804,004	4
Short-term bills payable (Note 19)	67,779,222	17	52,930,987	14
Financial liabilities at fair value through profit or loss - current (Notes 4 and 7)	62,327	-	4,281	-
Financial liabilities for hedging - current (Notes 4 and 10)	-	-	688,066	-
Notes payable	1,029	-	1,019	-
Trade payables (Note 32)	18,030,392	5	15,002,460	4
Other payables (Notes 21 and 32)	22,515,395	6	20,119,678	6
Current tax liabilities (Notes 4 and 25)	5,854,508	1	5,535,325	2
Lease liabilities - current (Note 4)	470,852	-	425,380	-
Current portion of long-term borrowings and bonds payable (Notes 19 and 20)	9,848,369	3	1,897,848	1
Other current liabilities	2,948,503	1	1,569,338	-
Total current liabilities	136,079,356	35	113,978,386	31
NON-CURRENT LIABILITIES				
Bonds payables (Notes 4 and 20)	4,498,859	1	13,494,177	4
Long-term borrowings (Note 19)	57,588,778	15	57,083,691	16
Deferred tax liabilities (Notes 4 and 25)	8,867,152	2	10,444,256	3
Lease liabilities - non-current (Note 4)	2,138,762	-	1,790,141	-
Net defined benefit liabilities - non-current (Notes 4 and 22)	2,879,457	1	2,777,687	1
Guarantee deposits received	247,053	-	166,560	-
Other non-current liabilities	4,493,186	1	4,387,646	1
Total non-current liabilities	80,713,247	20	90,144,158	25
Total liabilities	216,792,603	55	204,122,544	56
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Ordinary shares	5,182,415	1	5,188,164	1
Capital surplus				
Issuance of ordinary shares	47,290,118	12	47,199,976	13
Treasury share transactions	43,197	-	24,035	-
Share of changes in capital surplus of associates or joint ventures	150,796	-	147,346	-
Employee restricted shares	383,979	-	468,372	-
Total capital surplus	47,868,090	12	47,839,729	13
Retained earnings				
Legal reserve	16,277,200	4	14,338,984	4
Special reserve	454,191	-	869,519	-
Unappropriated earnings	97,409,505	25	85,532,263	24
Total retained earnings	114,140,896	29	100,740,766	28
Other equity				
Exchange differences on translation of the financial statement of foreign operations	5,883,718	2	9,687,841	2
Unrealized valuation gain on financial assets at fair value through other comprehensive income	36,959	-	38,302	-
Gain (loss) on hedging instruments	-	-	(720,742)	-
Unearned employee benefits	(203,535)	-	(282,131)	-
Total other equity	5,717,142	2	8,723,270	2
Treasury shares	(2,030,720)	-	(2,030,720)	-
Total equity attributable to owners of the Company	170,877,823	44	160,461,209	44
NON-CONTROLLING INTERESTS	3,118,729	1	2,092,154	-
Total equity	173,996,552	45	162,553,363	44
TOTAL	\$ 390,789,155	100	\$ 366,675,907	100

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

YAGEO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4 and 32)				
Net sales	\$ 132,930,016	100	\$ 121,667,329	100
OPERATING COSTS (Notes 4, 12, 24 and 32)				
Cost of goods sold	<u>84,800,194</u>	<u>64</u>	<u>79,863,840</u>	<u>66</u>
GROSS PROFIT	<u>48,129,822</u>	<u>36</u>	<u>41,803,489</u>	<u>34</u>
OPERATING EXPENSES (Notes 4, 11, 24 and 32)				
Selling and marketing expenses	7,927,035	6	8,134,032	7
General and administrative expenses	6,975,408	5	6,692,220	5
Research and development expenses	3,418,746	3	3,472,530	3
Expected credit loss	<u>7,973</u>	<u>-</u>	<u>119,176</u>	<u>-</u>
Total operating expenses	<u>18,329,162</u>	<u>14</u>	<u>18,417,958</u>	<u>15</u>
PROFIT FROM OPERATIONS	<u>29,800,660</u>	<u>22</u>	<u>23,385,531</u>	<u>19</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4, 14, 24 and 33)				
Finance costs	(2,868,800)	(2)	(2,825,771)	(2)
Share of profit or loss of associates and joint ventures	480,101	1	322,106	-
Interest income	4,439,472	3	5,016,138	4
Rental income	54,403	-	37,388	-
Gain on financial instruments at fair value through profit or loss	305,082	-	310,889	-
Other gains and losses	<u>(1,091,267)</u>	<u>(1)</u>	<u>617,069</u>	<u>1</u>
Total non-operating income and expenses	<u>1,318,991</u>	<u>1</u>	<u>3,477,819</u>	<u>3</u>
PROFIT BEFORE INCOME TAX	31,119,651	23	26,863,350	22
INCOME TAX EXPENSE (Notes 4 and 25)	<u>7,342,844</u>	<u>5</u>	<u>7,376,719</u>	<u>6</u>
NET PROFIT FOR THE YEAR	<u>23,776,807</u>	<u>18</u>	<u>19,486,631</u>	<u>16</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 22, 23 and 25)				
Items that will not be reclassified subsequently to profit or loss:				

(Continued)

YAGEO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Remeasurement of defined benefit plans	24,226	-	26,301	-
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	1,279	-	(96,461)	-
Share of the other comprehensive (loss) income of associates and joint ventures accounted for using the equity method	17,783	-	(9,554)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	5,660	-	3,360	-
	<u>48,948</u>	<u>-</u>	<u>(76,354)</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(4,481,350)	(3)	11,739,482	10
Gain (loss) on hedging instruments	720,742	-	(724,671)	(1)
Share of the other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	(65,742)	-	48,488	-
Income tax relating to items that may be reclassified subsequently to profit or loss	757,281	1	(2,356,427)	(2)
	<u>(3,069,069)</u>	<u>(2)</u>	<u>8,706,872</u>	<u>7</u>
Other comprehensive income for the year, net of income tax	<u>(3,020,121)</u>	<u>(2)</u>	<u>8,630,518</u>	<u>7</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 20,756,686</u>	<u>16</u>	<u>\$ 28,117,149</u>	<u>23</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 23,634,229	18	\$ 19,356,484	16
Non-controlling interests	<u>142,578</u>	<u>-</u>	<u>130,147</u>	<u>-</u>
	<u>\$ 23,776,807</u>	<u>18</u>	<u>\$ 19,486,631</u>	<u>16</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 20,599,796	16	\$ 27,981,168	23
Non-controlling interests	<u>156,890</u>	<u>-</u>	<u>135,981</u>	<u>-</u>
	<u>\$ 20,756,686</u>	<u>16</u>	<u>\$ 28,117,149</u>	<u>23</u>

(Continued)

YAGEO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	<u>2025</u>		<u>2024</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
EARNINGS PER SHARE (NEW TAIWAN DOLLARS; Note 26)				
Basic	<u>\$ 11.51</u>		<u>\$ 9.53</u>	
Diluted	<u>\$ 11.48</u>		<u>\$ 9.41</u>	

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

(Concluded)

YAGEO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owner of the Company															
	Equity Attributable to Owner of the Company								Other Equity (Note 23)							
	Capital (Note 23)			Capital Surplus (Notes 23 and 27)	Retained Earnings (Note 23)				Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain (Loss) on Hedging Instruments	Unearned Employee Benefits	Treasury Shares (Note 23)	Total	Non-controlling Interests (Note 23)	Total Equity
	Ordinary Shares	Bond Conversion Entitlement Certificates	Total		Legal Reserve	Special Reserve	Unappropriated Earnings	Total								
BALANCE, JANUARY 1, 2024	\$ 4,231,455	\$ 3,952	\$ 4,235,407	\$ 42,261,173	\$ 12,586,364	\$ 610,919	\$ 77,384,975	\$ 90,582,258	\$ 262,132	\$ 140,335	\$ 3,929	\$ (82,303)	\$ (2,030,720)	\$ 135,372,211	\$ 1,986,653	\$ 137,358,864
Appropriation of the 2023 earnings																
Legal reserve	-	-	-	-	1,752,620	-	(1,752,620)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	258,600	(258,600)	-	-	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	(8,385,141)	(8,385,141)	-	-	-	-	-	(8,385,141)	-	(8,385,141)
Share dividends distributed by the Company	838,514	-	838,514	-	-	-	(838,514)	(838,514)	-	-	-	-	-	-	-	-
Cash dividends distributed by the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(32,096)	(32,096)
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	-	-	16,019	-	-	-	-	-	-	-	-	-	16,019	-	16,019
Changes in capital surplus from investments in associates and joint ventures accounted for by using equity method	-	-	-	1,616	-	-	-	-	-	-	-	-	-	1,616	1,616	3,232
Share-based payment transactions	3,751	-	3,751	339,489	-	-	-	-	-	-	-	(199,828)	-	143,412	-	143,412
Net profit for the year ended December 31, 2024	-	-	-	-	-	-	19,356,484	19,356,484	-	-	-	-	-	19,356,484	130,147	19,486,631
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	-	29,926	29,926	9,425,709	(106,280)	(724,671)	-	-	8,624,684	5,834	8,630,518
Convertible bonds converted to ordinary shares	114,444	(3,952)	110,492	5,221,432	-	-	-	-	-	-	-	-	-	5,331,924	-	5,331,924
Disposals of investments in equity instruments designated as at fair value through other comprehensive income (loss)	-	-	-	-	-	-	(4,247)	(4,247)	-	4,247	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2024	5,188,164	-	5,188,164	47,839,729	14,338,984	869,519	85,532,263	100,740,766	9,687,841	38,302	(720,742)	(282,131)	(2,030,720)	160,461,209	2,092,154	162,553,363
Appropriation of the 2024 earnings																
Legal reserve	-	-	-	-	1,938,216	-	(1,938,216)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	(415,328)	415,328	-	-	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	(10,284,390)	(10,284,390)	-	-	-	-	-	(10,284,390)	-	(10,284,390)
Cash dividends distributed by the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(19,918)	(19,918)
Changes in capital surplus from investments in associates and joint ventures accounted for by using equity method	-	-	-	3,450	-	-	-	-	-	-	-	-	-	3,450	(776)	2,674
Net profit for the year ended December 31, 2025	-	-	-	-	-	-	23,634,229	23,634,229	-	-	-	-	-	23,634,229	142,578	23,776,807
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	-	-	30,766	30,766	(3,804,123)	18,182	720,742	-	-	(3,034,433)	14,312	(3,020,121)
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	-	-	19,162	-	-	-	-	-	-	-	-	-	19,162	-	19,162
Actual acquisitions of interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	890,379	890,379
Share-based payment transactions	(5,749)	-	(5,749)	5,749	-	-	-	-	-	-	-	78,596	-	78,596	-	78,596
Disposals of investments in equity instruments designated as at fair value through other comprehensive income (loss)	-	-	-	-	-	-	19,525	19,525	-	(19,525)	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2025	<u>\$ 5,182,415</u>	<u>\$ -</u>	<u>\$ 5,182,415</u>	<u>\$ 47,868,090</u>	<u>\$ 16,277,200</u>	<u>\$ 454,191</u>	<u>\$ 97,409,505</u>	<u>\$ 114,140,896</u>	<u>\$ 5,883,718</u>	<u>\$ 36,959</u>	<u>\$ -</u>	<u>\$ (203,535)</u>	<u>\$ (2,030,720)</u>	<u>\$ 170,877,823</u>	<u>\$ 3,118,729</u>	<u>\$ 173,996,552</u>

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

YAGEO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 31,119,651	\$ 26,863,350
Adjustments for:		
Expected credit loss recognized on trade receivables	7,973	119,176
Depreciation expense	8,830,166	8,535,491
Amortization expense	1,003,681	1,093,444
Net gain on fair value change of financial assets and liabilities at fair value through profit or loss	(305,082)	(310,889)
Finance costs	2,868,800	2,825,771
Interest income	(4,439,472)	(5,016,138)
Dividend income	(53,811)	(55,346)
Share-based compensation	78,596	143,412
Share of profit of associates and joint ventures	(480,101)	(322,106)
Net loss on disposal of property, plant and equipment	55,365	100,534
Gain on disposal of intangible assets	(1,100)	-
Gain on disposal of subsidiary and associate	(100,496)	(313,884)
Write-down of inventories	785,995	439,394
Net gain on foreign currency exchange	(105,139)	(70,740)
Changes in operating assets and liabilities		
Financial assets and liabilities mandatorily classified at fair value through profit or loss	68,370	152,480
Notes receivable	244,871	(103,845)
Trade receivables	(4,898,288)	(720,912)
Trade receivables of related parties	1,290	(63,204)
Other receivables	113,397	527,687
Other receivables of related parties	3,668	3,192
Inventories	(2,798,802)	839,648
Prepayments	(1,238,208)	(237,780)
Other current assets	(190,656)	(180,858)
Notes payable	(6,952)	(44,771)
Trade payables	2,528,380	(807,622)
Trade payables of related parties	(72,586)	236,433
Other payables	2,092,813	(13,000)
Other payables of related parties	38,105	5,622
Other current liabilities	1,279,842	1,239,364
Net defined benefit liabilities	132,536	(52,989)
Cash generated from operations	36,562,806	34,810,914
Interest received	4,668,175	4,933,343
Dividend received	53,811	55,346
Interest paid	(2,855,116)	(2,815,765)
Income tax paid	(7,566,539)	(5,821,466)
Net cash generated from operating activities	30,863,137	31,162,372

(Continued)

YAGEO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(112,217)	-
Proceeds from sale of financial assets at fair value through other comprehensive income	53,092	21,865
Purchase of financial assets at amortized cost	(7,855,803)	(30,098,952)
Proceeds from sale of financial assets at amortized cost	29,851,836	9,379,507
Purchase of financial assets at fair value through profit or loss	(3,187,637)	(8,505,244)
Proceeds from sale of financial assets at fair value through profit or loss	4,063,739	11,384,399
Acquisition of associates	(4,263,086)	(5,566,352)
Disposal of associates	111,588	540,165
Net cash outflow on acquisition of subsidiaries	(16,695,701)	(353,752)
Net cash inflow on disposal of subsidiaries	-	101,774
Proceeds from capital reduction of investments accounted for using equity method	5,844	12,086
Payments for property, plant and equipment	(6,056,044)	(6,646,163)
Proceeds from disposal of property, plant and equipment	468,202	282,780
Increase in refundable deposits	(55,734)	(186,965)
Decrease in refundable deposits	27,381	-
Payments for intangible assets	(250,813)	(280,011)
Disposal of intangible assets	1,100	-
Dividends received from associates	<u>168,967</u>	<u>154,938</u>
Net cash used in investing activities	<u>(3,725,286)</u>	<u>(29,759,925)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of short-term borrowings	(7,235,124)	(1,869,453)
Proceeds from short-term bills payable	14,848,235	9,872,120
Repayment of bond payable	-	(1,000,040)
Proceeds from long-term borrowings	96,448,348	151,403,756
Repayments of long-term borrowings	(96,991,611)	(147,206,414)
Proceeds from guarantee deposits received	80,491	34,976
Refund of guarantee deposits received	-	(53,972)
Dividends paid to owners of the Company	(10,265,174)	(8,369,074)
Change in non-controlling interests	<u>(19,918)</u>	<u>(32,096)</u>
Net cash generated from (used in) financing activities	<u>(3,134,753)</u>	<u>2,779,803</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(3,647,224)</u>	<u>3,983,902</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	20,355,874	8,166,152

(Continued)

YAGEO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>61,117,610</u>	<u>52,951,458</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 81,473,484</u>	<u>\$ 61,117,610</u>

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

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Yageo Corporation

Opinion

We have audited the accompanying parent company only financial statements of Yageo Corporation (the "Company"), which comprise the parent company only balance sheets as of December 31, 2025 and 2024, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the "parent company only financial statements").

In our opinion, based on our audits and the reports of other auditors (refer to the "Other Matter" paragraph), the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2025 and 2024, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in the parent company only financial statements for the year ended December 31, 2025 is as follows:

Goodwill Impairment Assessment for Investments Accounted for Using the Equity Method

Goodwill impairment assessment for investments accounted for using the equity method involves estimating the recoverable amount of each cash-generating unit using the discounted cash flow method. The assumptions and parameters used, such as the discount rate and future revenue growth, involve significant estimates and judgments by management. These assumptions and parameters may also be influenced by future market or economic conditions. Because the impairment test involves a high degree of uncertainty, any changes in the relevant estimates or assumptions could have a significant impact on the outcome of the goodwill impairment assessment; therefore, we considered a test of goodwill for impairment assessment as a key audit matter for the annual audit.

Refer to Note 4 to the parent company only financial statements for accounting policies. The key audit matter procedures we performed are described as follows:

1. We obtained an understanding of the processes of internal controls related to impairment assessment and evaluated the design, implementation, and operating effectiveness of internal controls.
2. We obtained the impairment testing evaluation model and assessed whether the adopted methods, assumptions, discount rates, and other related parameters are reasonable.
3. We performed sensitivity analysis on the assumptions and parameters used in the evaluation model to assess whether there was any impairment.

Other Matter

As stated in Note 12 to the accompanying parent company only financial statements, we did not audit the financial statements of certain investees accounted for using the equity method, but these financial statements had been audited by other auditors. Our opinion, insofar as it relates to the amounts included for these investees, is based solely on the reports of other auditors. The total investments in these investees accounted for using the equity method were NT\$9,141,127 thousand, representing 2.54% and NT\$7,351,635 thousand, representing 2.16%, of the Company's total assets as of December 31, 2025 and 2024, respectively. The Company's shares of profit of these investees were NT\$141,921 thousand, representing 0.60% and NT\$265,014 thousand, representing 1.24%, of the Company's profit before income tax for the years ended December 31, 2025 and 2024, respectively.

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

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

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

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Meng-Chieh Chiu and Chun-Yu Wang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 16, 2026

Notice to Readers

The accompanying parent company only financial statements are intended only to present the parent company only financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

YAGEO CORPORATION

PARENT COMPANY ONLY BALANCE SHEETS DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 6,209,656	2	\$ 7,190,880	2
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	331,986	-	68,479	-
Financial assets at amortized cost - current (Notes 4 and 9)	1,118,109	-	4,582,861	1
Trade receivables (Notes 4 and 10)	2,716,572	1	732,020	-
Trade receivables from related parties (Notes 4 and 26)	4,544,904	1	5,646,845	2
Other receivables	57,354	-	175,910	-
Other receivables from related parties (Notes 4 and 26)	9,290,451	3	3,347,971	1
Inventories (Notes 4 and 11)	5,696,686	2	5,393,348	2
Prepayments	1,882,257	-	1,490,585	-
Other current assets	<u>2,542</u>	-	<u>388</u>	-
Total current assets	<u>31,850,517</u>	<u>9</u>	<u>28,629,287</u>	<u>8</u>
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	65,817	-	75,974	-
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	970,029	-	854,943	-
Financial assets at amortized cost - non-current (Notes 4 and 9)	-	-	1,126,775	-
Investments accounted for using the equity method (Notes 4, 5 and 12)	308,405,282	86	288,507,746	85
Property, plant and equipment (Notes 4, 5 and 13)	17,051,549	5	18,766,164	6
Goodwill (Notes 4 and 14)	109,643	-	109,643	-
Other intangible assets	570,728	-	149,970	-
Deferred tax assets (Notes 4 and 21)	1,142,435	-	1,426,881	1
Refundable deposits	68,262	-	72,267	-
Other non-current assets	<u>99,804</u>	-	<u>85,210</u>	-
Total non-current assets	<u>328,483,549</u>	<u>91</u>	<u>311,175,573</u>	<u>92</u>
TOTAL	<u>\$ 360,334,066</u>	<u>100</u>	<u>\$ 339,804,860</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 15)	\$ 3,057,520	1	\$ 11,381,240	3
Short-term bills payable (Note 15)	67,779,222	19	52,930,987	16
Financial liabilities at fair value through profit or loss - current (Notes 4 and 7)	58,398	-	-	-
Contract liabilities - current (Note 26)	1,747,460	-	1,579,995	1
Notes payable	1,019	-	1,019	-
Trade payables	1,623,235	-	1,322,512	-
Trade payables to related parties (Note 26)	9,056,242	3	4,341,235	1
Other payables to related parties (Note 26)	248,140	-	96,033	-
Other payables (Note 17)	12,423,874	3	11,657,136	3
Current tax liabilities (Notes 4 and 21)	2,425,082	1	2,297,032	1
Current portion of long-term borrowings and bonds payable (Notes 15 and 16)	9,848,369	3	1,810,348	1
Other current liabilities	<u>57,994</u>	-	<u>50,600</u>	-
Total current liabilities	<u>108,326,555</u>	<u>30</u>	<u>87,468,137</u>	<u>26</u>
NON-CURRENT LIABILITIES				
Bonds payable (Note 16)	4,498,859	1	13,494,177	4
Long-term borrowings (Note 15)	57,588,778	16	57,025,358	17
Deferred tax liabilities (Notes 4 and 21)	3,289,492	1	4,793,170	1
Long-term payables to related parties (Note 26)	15,719,000	5	16,390,500	5
Net defined benefit liabilities (Notes 4 and 18)	33,433	-	172,183	-
Guarantee deposits received	<u>126</u>	-	<u>126</u>	-
Total non-current liabilities	<u>81,129,688</u>	<u>23</u>	<u>91,875,514</u>	<u>27</u>
Total liabilities	<u>189,456,243</u>	<u>53</u>	<u>179,343,651</u>	<u>53</u>
EQUITY				
Share capital				
Ordinary shares	<u>5,182,415</u>	<u>1</u>	<u>5,188,164</u>	<u>1</u>
Capital surplus				
Issuance of ordinary shares	47,290,118	13	47,199,976	14
Treasury share transactions	43,197	-	24,035	-
Share of changes in capital surplus of associates and subsidiaries	150,796	-	147,346	-
Employee restricted shares	<u>383,979</u>	-	<u>468,372</u>	-
Total capital surplus	<u>47,868,090</u>	<u>13</u>	<u>47,839,729</u>	<u>14</u>
Retained earnings				
Legal reserve	16,277,200	5	14,338,984	4
Special reserve	454,191	-	869,519	1
Unappropriated earnings	<u>97,409,505</u>	<u>27</u>	<u>85,532,263</u>	<u>25</u>
Total retained earnings	<u>114,140,896</u>	<u>32</u>	<u>100,740,766</u>	<u>30</u>
Other equity				
Exchange differences on translation of the financial statements of foreign operations	5,883,718	2	9,687,841	3
Unrealized valuation gain on financial assets at fair value through other comprehensive income	36,959	-	38,302	-
Gain (loss) on hedging instruments	-	-	(720,742)	-
Unearned employee benefits	<u>(203,535)</u>	-	<u>(282,131)</u>	-
Total other equity	<u>5,717,142</u>	<u>2</u>	<u>8,723,270</u>	<u>3</u>
Treasury shares	<u>(2,030,720)</u>	<u>(1)</u>	<u>(2,030,720)</u>	<u>(1)</u>
Total equity	<u>170,877,823</u>	<u>47</u>	<u>160,461,209</u>	<u>47</u>
TOTAL	<u>\$ 360,334,066</u>	<u>100</u>	<u>\$ 339,804,860</u>	<u>100</u>

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

YAGEO CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4 and 26)				
Net sales	\$ 42,001,317	100	\$ 36,389,313	100
OPERATING COSTS (Notes 4, 11, 20 and 26)				
Cost of goods sold	<u>33,814,607</u>	<u>80</u>	<u>30,719,641</u>	<u>84</u>
GROSS PROFIT	8,186,710	20	5,669,672	16
REALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES (Note 4)	<u>144,236</u>	<u>-</u>	<u>5,783</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>8,330,946</u>	<u>20</u>	<u>5,675,455</u>	<u>16</u>
OPERATING EXPENSES (Notes 4, 10, 20 and 26)				
Selling and marketing expenses	461,477	1	458,435	1
General and administrative expenses	2,280,464	5	1,712,962	5
Research and development expenses	272,376	1	300,165	1
Expected credit loss	<u>6,102</u>	<u>-</u>	<u>4,204</u>	<u>-</u>
Total operating expenses	<u>3,020,419</u>	<u>7</u>	<u>2,475,766</u>	<u>7</u>
PROFIT FROM OPERATIONS	<u>5,310,527</u>	<u>13</u>	<u>3,199,689</u>	<u>9</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4, 12, 20 and 26)				
Finance costs	(2,651,306)	(6)	(2,449,565)	(7)
Share of profit of subsidiaries and associates	20,552,102	49	20,168,724	55
Interest income	372,703	1	639,912	2
Rental income	9,568	-	10,944	-
Net gain on financial instruments at fair value through profit or loss	234,697	-	262,474	1
Other gains and losses	<u>(10,796)</u>	<u>-</u>	<u>(376,900)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>18,506,968</u>	<u>44</u>	<u>18,255,589</u>	<u>50</u>
PROFIT BEFORE INCOME TAX	23,817,495	57	21,455,278	59
INCOME TAX EXPENSE (Notes 4 and 21)	<u>183,266</u>	<u>1</u>	<u>2,098,794</u>	<u>6</u>
NET PROFIT FOR THE YEAR	<u>23,634,229</u>	<u>56</u>	<u>19,356,484</u>	<u>53</u>

(Continued)

YAGEO CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
(Notes 4, 18, 19 and 21)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	(28,300)	-	(16,803)	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	3,552	-	(53,508)	-
Share of the other comprehensive income (loss) of subsidiaries and associates accounted for using the equity method	68,036	-	(9,403)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>5,660</u>	<u>-</u>	<u>3,360</u>	<u>-</u>
	<u>48,948</u>	<u>-</u>	<u>(76,354)</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Share of the other comprehensive income of subsidiaries and associates accounted for using the equity method	(3,840,662)	(9)	11,057,465	30
Income tax relating to items that may be reclassified subsequently to profit or loss	<u>757,281</u>	<u>2</u>	<u>(2,356,427)</u>	<u>(6)</u>
	<u>(3,083,381)</u>	<u>(7)</u>	<u>8,701,038</u>	<u>24</u>
Other comprehensive income for the year, net of income tax	<u>(3,034,433)</u>	<u>(7)</u>	<u>8,624,684</u>	<u>24</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 20,599,796</u>	<u>49</u>	<u>\$ 27,981,168</u>	<u>77</u>
EARNINGS PER SHARE (NEW TAIWAN DOLLARS; Note 22)				
Basic	<u>\$ 11.51</u>		<u>\$ 9.53</u>	
Diluted	<u>\$ 11.48</u>		<u>\$ 9.41</u>	

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

(Concluded)

YAGEO CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

									Other Equity (Note 19)						
	Capital (Note 19)			Capital Surplus (Notes 19 and 23)	Retained Earnings (Note 19)				Exchange Differences on Translating the Financial Statements of the Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Benefits	Gain (Loss) on Hedging Instruments	Unearned Employee Benefits	Total	Treasury Shares (Note 19)	Total Equity
	Ordinary Shares	Bond Conversion Entitlement Certificates	Total		Legal Reserve	Special Reserve	Unappropriated Earnings	Total							
BALANCE, JANUARY 1, 2024	\$ 4,231,455	\$ 3,952	\$ 4,235,407	\$ 42,261,173	\$ 12,586,364	\$ 610,919	\$ 77,384,975	\$ 90,582,258	\$ 262,132	\$ 140,335	\$ 3,929	\$ (82,303)	\$ 324,093	\$ (2,030,720)	\$ 135,372,211
Appropriation of the 2023 earnings															
Legal reserve	-	-	-	-	1,752,620	-	(1,752,620)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	258,600	(258,600)	-	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	(8,385,141)	(8,385,141)	-	-	-	-	-	-	(8,385,141)
Share dividends distributed by the Company	838,514	-	838,514	-	-	-	(838,514)	(838,514)	-	-	-	-	-	-	-
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	-	-	16,019	-	-	-	-	-	-	-	-	-	-	16,019
Changes from investments in subsidiaries and associates accounted for by using equity method	-	-	-	1,616	-	-	-	-	-	-	-	-	-	-	1,616
Share-based payment transactions	3,751	-	3,751	339,489	-	-	-	-	-	-	-	(199,828)	(199,828)	-	143,412
Net profit for the year ended December 31, 2024	-	-	-	-	-	-	19,356,484	19,356,484	-	-	-	-	-	-	19,356,484
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	-	29,926	29,926	9,425,709	(106,280)	(724,671)	-	8,594,758	-	8,624,684
Convertible bonds converted to ordinary shares	114,444	(3,952)	110,492	5,221,432	-	-	-	-	-	-	-	-	-	-	5,331,924
Disposals of investments in equity instruments designated as at fair value through other comprehensive income (loss)	-	-	-	-	-	-	(4,247)	(4,247)	-	4,247	-	-	4,247	-	-
BALANCE AT DECEMBER 31, 2024	5,188,164	-	5,188,164	47,839,729	14,338,984	869,519	85,532,263	100,740,766	9,687,841	38,302	(720,742)	(282,131)	8,723,270	(2,030,720)	160,461,209
Appropriation of the 2024 earnings															
Legal reserve	-	-	-	-	1,938,216	-	(1,938,216)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	(415,328)	415,328	-	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	(10,284,390)	(10,284,390)	-	-	-	-	-	-	(10,284,390)
Changes from investments in subsidiaries and associates accounted for by using equity method	-	-	-	3,450	-	-	-	-	-	-	-	-	-	-	3,450
Net profit for the year ended December 31, 2025	-	-	-	-	-	-	23,634,229	23,634,229	-	-	-	-	-	-	23,634,229
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	-	-	30,766	30,766	(3,804,123)	18,182	720,742	-	(3,065,199)	-	(3,034,433)
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	-	-	19,162	-	-	-	-	-	-	-	-	-	-	19,162
Share-based payment transactions	(5,749)	-	(5,749)	5,749	-	-	-	-	-	-	-	78,596	78,596	-	78,596
Disposals of investments in equity instruments designated as at fair value through other comprehensive income (loss)	-	-	-	-	-	-	19,525	19,525	-	(19,525)	-	-	(19,525)	-	-
BALANCE AT DECEMBER 31, 2025	<u>\$ 5,182,415</u>	<u>\$ -</u>	<u>\$ 5,182,415</u>	<u>\$ 47,868,090</u>	<u>\$ 16,277,200</u>	<u>\$ 454,191</u>	<u>\$ 97,409,505</u>	<u>\$ 114,140,896</u>	<u>\$ 5,883,718</u>	<u>\$ 36,959</u>	<u>\$ -</u>	<u>\$ (203,535)</u>	<u>\$ 5,717,142</u>	<u>\$ (2,030,720)</u>	<u>\$ 170,877,823</u>

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

YAGEO CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 23,817,495	\$ 21,455,278
Adjustments for		
Expected credit loss recognized (reversed) on trade receivables	6,102	4,204
Depreciation expense	1,989,942	1,638,664
Amortization expense	52,745	40,286
Amortization of prepayments	8,779	11,902
Net gain on fair value change of financial assets and liabilities at fair value through profit or loss	(234,697)	(262,474)
Finance costs	2,651,306	2,449,565
Interest income	(372,703)	(639,912)
Dividend income	(24,517)	(22,586)
Share-based compensation	13,997	21,981
Share of profit of subsidiaries and associates	(20,552,102)	(20,168,724)
Net loss on disposal of property, plant and equipment	1,617	638
Gain on disposal of intangible assets	(1,100)	-
Write-down of inventories	151,714	145,147
Realized gain on the transactions with subsidiaries and associates	(144,236)	(5,783)
Net gain on foreign currency exchange	(270,911)	(5,975)
Changes in operating assets and liabilities		
Financial assets and liabilities mandatorily classified as at fair value through profit or loss	29,745	214,198
Trade receivables	(1,937,084)	7,375
Trade receivables of related parties	1,056,464	(2,072,335)
Other receivables	38,245	887
Other receivables of related parties	(96,122)	(16,165)
Inventories	(455,052)	410,060
Prepayments	(473,635)	(1,033,788)
Other current assets	(2,154)	143
Contract liabilities	180,257	(588,997)
Notes payable	-	168
Trade payables	289,318	(34,224)
Trade payables of related parties	4,578,814	553,152
Other payables	681,214	(856,874)
Other payables of related parties	154,067	10,382
Other current liabilities	7,394	7,944
Net defined benefit liabilities	(167,050)	(4,705)
Cash generated from operations	10,977,852	1,259,432
Interest received	398,567	580,915
Dividend received	24,517	22,586
Interest paid	(2,636,307)	(2,406,433)
Income tax paid	(511,507)	(1,628,121)
Net cash generated from (used in) operating activities	8,253,122	(2,171,621)

(Continued)

YAGEO CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(112,217)	-
Proceeds from sale of financial assets at fair value through other comprehensive income	683	21,721
Purchase of financial assets at amortized cost	-	(5,660,517)
Proceeds from sale of financial assets at amortized cost	4,556,717	3,296,901
Purchase of financial assets at fair value through profit or loss	(4,531,280)	(11,498,426)
Proceeds from sale of financial assets at fair value through profit or loss	4,541,280	12,830,676
Acquisition of investments accounted for using the equity method	(3,878,030)	(5,296,637)
Capital additions of subsidiaries and associates	(7,374,036)	(1,000,000)
Proceeds from capital reduction of investments accounted for using equity method	6,396,277	9,879
Payments for property, plant and equipment	(898,461)	(2,515,109)
Proceeds from disposal of property, plant and equipment	59,162	4,749
Increase in refundable deposits	-	(61,203)
Decrease in refundable deposits	4,005	-
Other receivables of related parties	(9,285,904)	-
Payments for intangible assets	(2,756)	(70,159)
Disposal of intangible assets	1,100	-
Dividends received from subsidiaries and associates	<u>5,454,777</u>	<u>781,384</u>
Net cash used in investing activities	<u>(5,068,683)</u>	<u>(9,156,741)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from (Repayments of) short-term borrowings	(8,331,400)	1,407,250
Proceeds from short-term bills payable	14,848,235	9,872,120
Repayment of bonds payable	-	(1,000,000)
Proceeds from long-term borrowings	96,385,419	144,308,300
Repayments of long-term borrowings	(96,802,743)	(137,965,705)
Other payables to related parties	-	4,085,700
Dividends paid to owners of the Company	<u>(10,265,174)</u>	<u>(8,385,141)</u>
Net cash generated from (used in) financing activities	<u>(4,165,663)</u>	<u>12,322,524</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(981,224)	994,162
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>7,190,880</u>	<u>6,196,718</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 6,209,656</u>	<u>\$ 7,190,880</u>

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

(Concluded)

Attachment III :

**Comparison Table for the Articles of Incorporation
Before and After Amendment**

No.	Current Article	No.	Revised Article	Explanation
N/A		<u>Article 9-1</u>	<u>Where the Company issues any new shares, the employees who are qualified to subscribe to such shares shall include employees of subordinate companies that meet certain qualifications.</u> <u>Where the Company issues any employee restricted shares, the employees who are qualified to subscribe to such shares may include employees of affiliated companies that meet certain qualifications.</u> <u>Where the Company issues any employee stock options, the employees who are qualified to subscribe to such employee stock options may include employees of affiliated companies that meet certain qualifications.</u> <u>Where the Company proposes to transfer any treasury shares purchased in accordance with the laws, the transferees may include the employees of affiliated companies that meet certain qualifications.</u>	Amendment was made to meet the Company's operational needs.
Article 26	The Company's Memorandum of Incorporation was stipulated on July 23, 1987. (Omitted)	Article 26	The Company's Memorandum of Incorporation was stipulated on July 23, 1987. (Omitted) <u>The 39th amendment of the MOI on May 27, 2026</u>	To record the revised date of the articles.

Attachment IV :

2026 New Restricted Employee Shares Issuance Regulations

Article 1: Purpose of Issuance

In order to attract and retain needed professionals, incentivize employee and enhance team cohesion among employee as to materialize the goals of pursuing interest for the Company and its shareholders and consolidating common interest between employee and shareholders, the Company has promulgated its “2026 New Restricted Employee Shares Issuance Regulations (herein after the “Regulations”) in compliance with Article 267-9 of the *Company Act*, Article 22 of the *Securities and Exchange Act*, and the *Regulations Governing the Offering and Issuance of Securities by Securities Issuers* (herein after the “O&S Regulations”) promulgated by the Financial Supervisory Commission.

Article 2: Issuance Term

Within two years from upon receiving the competent authority’s notice of approval for issuance application, the Company may issue the said Shares once or multiple times as needed on the dates and methods determined by the Chair of the Board under authorization by the Board.

Article 3: Employee’s Qualification for Shares Allotment

1. The Company will prudently manage this incentive plan to protect shareholders’ interests. To be eligible for New Restricted Employee Shares, an employee must maintain full-time employment status with the Company including its subsidiaries as of the date of the issuance of the said Shares, have met prescribed job performance standard, have been assigned duties that are highly connected with the Company’s future strategy and development, play a key role and thus may bring about significant impact on the Company’s operation or possess certain critical or core techniques.
2. The actual number of New Restricted Employee Shares allotted to each employee shall be determined based on factors such as job grade, performance evaluation, overall contribution, special merits, and other managerial considerations. The allocation standards shall be approved by the Chair of the Board and Chief Executive Officer (“CEO”), and submitted to the Board for approval. For Management or Directors who are also employees, prior approval from the Compensation Committee is required. For employees who are neither Directors nor Management, prior approval from the Audit Committee in accordance with Article 14-5-1-11 of the *Securities and Exchange Act* is required.
3. The aggregate quantity of New Restricted Employee Shares allocated and unvested stocks attached to Employee Stock Option Certificate issued by the Company in accordance with Article 56-1-1 of the *O&S Regulations* to one employee must not exceed three-thousandths (3/1000) of all outstanding shares already issued by the Company, and the quantity of the employee’s already allocated unvested stocks attached to Employee Stock Option Certificate issued by the Company in accordance with Article 56-1 of the Company’s *O&S Regulations* must not exceed one-hundredth (1/100) of all outstanding shares already issued by the Company. Subject to special approvals from the competent central authorities, however, the limitations on the aggregate quantity of the unvested shares attached to Employee Stock Option Certificate and the New Restricted Employee Shares abovementioned allocated to an employee may be exempted. Any amendments to relevant regulations by the competent authorities shall be followed accordingly.

Article 4: Estimated Total Shares to be Issued

The total number of the New Restricted Employee Shares to be issued under these Regulations shall be 6,000,000 shares of common stock, each with a par value of NT\$2.5, for a total amount of NT\$15,000,000. If the Company changes the par value of its shares, the number of shares to be issued shall be adjusted proportionally.

Article 5: Terms and Conditions for Issuing New Restricted Employee Shares and Limitations on the Rights Attached to the Shares

1. Price at issuance: No payment needed.
2. Type of share: New common shares of the Company.
3. Performance evaluation period: From January 1, 2026 to December 31, 2028.
4. Terms and conditions for vesting:
 - (1) To become fully vested after allotment of New Restricted Employee Shares (on the capital increase reference date) an employee must satisfy the conditions that she/he must hold valid full-time employment status with the Company as of each vested date; that she/he must not violate the employment contract, employee rules, non-competition clause, non-disclosure agreement or any agreement that she/he may have agreed and/or entered with the Company and that the Company must succeed in meeting the performance goals prescribed by the Company. The said Shares are to be vested at 32% for 2027, 34% for 2028 and 34% for 2029 on each respective annual vested date, among which the said Shares are to be vested based on service conditions at 11% for 2027, 12% for 2028 and 12% for 2029 and to be vested based on performance conditions at 21% for 2027, 22% for 2028 and 22% for 2029. The actual performance-conditioned payout percentages and the actual quantities to be vested shall be calculated based on the achievement rates for the 1st fiscal year's performance goals in the performance evaluation period as prescribed by the Company. The quantity of vested shares as determined by the said goal will be calculated to integer number, where any fraction of one share will be discarded unconditionally.
 - (2) The Company's EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) will be the goal to measure the performance. The threshold of performance achievement is 80%; the target performance achievement is 100% and the upper-limit performance achievement is 125%. The percentage of vested shares is 0% if the performance achievement is lower than the threshold; 50% if the performance achievement equals to the threshold; 100% if the performance achievement meets the target and 150% if the performance achievement equals to or exceeds upper-limit. For achievement rates between the threshold and target, or between the target and upper-limit, the vesting percentage is calculated by linear interpolation, rounded to the nearest hundredth decimal place.
5. Employee fails to meet vesting condition
 - (1) If an employee who has been previously allocated New Restricted Employee Shares but does not hold valid full-time employment status with the Company when the respective vested date is due; violates the employment contract, employee rules, non-competition clause, non-disclosure agreement or any agreement that she/he may have agreed and/or entered with the Company; fails to achieve the performance goals prescribed by the Company or violates Article 5-9 of this Regulations concerning change, withdrawal, revocation, termination or cancellation of her/his proxy authorization granted to the Company, then the Company shall have the right to recall and write-off, without incurring any liability to the Company, the New Restricted Employee Shares that have been allocated but not yet vested to and that concern the relative performance evaluation period of the said employee.
 - (2) The Company may recall and write-off, without incurring any liability to the Company, the New Restricted Employee Shares that have been allocated but not yet vested to any employee who departs voluntarily, are terminated with employment or are laid off.
6. Unvested New Restricted Employee Shares will be handled differently as each of the following situations become applicable:
 - (1) Leave of absence: Unvested New Restricted Employee Shares will not be affected unless this Regulations stipulates the otherwise. However, the actual quantity of the shares to be vested in each fiscal year shall be further calculated, in addition to the terms and conditions of vesting as stipulated in this Regulations, according to the ratio of actual days of employment an employee has accrued in the respective performance evaluation period to the days of the same fiscal year. Both the rights and obligations associated with the unvested New Restricted Employee Shares allocated to an employee who is on leave of absence on the

vesting day and has accrued one full year of employment status in the respective fiscal performance evaluation period will not be affected unless this Regulations stipulates the otherwise; however, an employee who is on leave of absence on the vesting day but has not accrued one full year of employment status in the fiscal year of the prescribed goal shall be deemed failing the terms and conditions of vesting, and the unvested New Restricted Employee Shares allocated to the said employee will be recalled and written-off by the Company without incurring any liability to the Company.

- (2) Transfer among affiliated companies: The unvested New Restricted Employee Shares allocated to an employee who voluntarily applies for transfer to an affiliated company will be recalled by the Company without incurring any liability to the Company. Both the rights and obligations associated with the unvested New Restricted Employee Shares allocated to an employee who is re-assigned to an affiliated company by the Company to meet the Company's operational necessity or who voluntarily applies for transfer to an affiliated company and is approved by the Company will not be affected unless this Regulations stipulates the otherwise. Furthermore, the said employee must maintain full-time employment status at either an affiliated company to which the transfer has been approved or the Company as of the vested date, or the said employee will be deemed failing the terms and conditions of vesting, and the unvested New Restricted Employee Shares allocated to the said employee will be recalled and written-off by the Company without incurring any liability to the Company.
- (3) Retirement: Both the rights and obligations associated with the unvested New Restricted Employee Shares allocated to a retired employee will not be affected unless this Regulations stipulates the otherwise. However, the actual quantity of the shares to be vested in each fiscal year shall be further calculated, in addition to the terms and conditions of vesting as stipulated in this Regulations, according to the ratio of actual days of employment the retired employee has accrued in the respective performance evaluation period to the days of the same fiscal year.
- (4) Unfit for continuing with employment due to disability caused by occupational hazards: Unvested New Restricted Employee Shares may be vested on departure date, but still the actual quantity of shares relative to each fiscal year to be vested shall be subject to re-calculation as stipulated in this Regulations according to the performance achievement of the respective performance evaluation periods. When a performance achievement relative to the Company's goal of a performance evaluation period is beyond confirmation, the unvested New Restricted Employee Shares relative to the fiscal year of the same period will be fully vested to the said employee.
- (5) Death by general causes or occupational hazards: When an employee dies and leaves behind unvested New Restricted Employee Shares, the devisees of the deceased employee may claim their respective legitimate portions of the said Shares or the interests from execution of the said Shares, provided that the devisees have completed all legally required procedures and present all required papers to validate the said claim.

However, in the case of death of an employee, the actual quantity of vested shares for the fiscal year, of which the performance achievement relative to the Company's goal has been confirmed, shall be re-calculated according to the terms and conditions stipulated in this Regulations. The unvested New Restricted Employee Shares relative to a performance evaluation period to which the Company's goal and/or the performance achievement of the same fiscal year may not be determined will be fully vested.

However, the devisees' failure to comply with and complete all required procedures of shares claim within one year since the delivery date of the notice of share claim issued by the Company shall be deemed as the said devisees have disclaimed the said claim, and thereby the Company shall have the right to recall and write-off the said Shares without incurring any liability to the Company

- (6) The Company undergoes an organization adjustment in accordance with the *Business Mergers and Acquisitions Act*: The vesting terms and conditions pertaining to unvested New Restricted Employee Shares, as well as vesting percentage, shall be determined by the Board of Directors.
- (7) At the end of employment status of an employee who has contributed extraordinary merits to the Company beyond and above job performance requirement, the Chair of the Board is authorized give exceptional

consideration for the said employee when determining whether or not the said employee has met the terms and conditions for vesting and the vesting percentage for the New Restricted Employee Shares allocated to the said employee. However, the exceptional consideration to be given to a member of the management and an employee concurrently holds position of a director of the Board shall further require approval from the Compensation Committee in advance.

7. All New Restricted Employee Shares recalled without liability shall be written-off by the Company.

8. Limitations of rights associated with unvested shares:

- (1) An employee having been allocated New Restricted Employee Shares may not sell, pledge, transfer, donate, create encumbrance or make any other disposal of the said Shares before the terms and conditions for vesting the said Shares have been satisfied, except for inheritance.
- (2) Prior to the satisfaction of vesting conditions by an employee who has been allocated New Restricted Employee Shares, the exercise of rights to attend, propose, speak, vote, stand as candidate in shareholder's meeting and any other shareholder rights at the Company's shareholders' meeting shall be subject to the provisions of the trust custody agreement.
- (3) Before an employee who has been allocated the New Restricted Employee Shares under the Regulations satisfies the vesting conditions, the employee shall not have the subscription rights for cash capital increase. All other rights, including but not limited to: cash dividends, stock dividends, allocations from legal reserve and capital reserve, shall be the same as those attached to the Company's issued common shares. Notwithstanding the foregoing, employees whose New Restricted Employee Shares have not yet vested shall not be entitled to receive any cash dividends or stock dividends allocated in respect of such shares and deposited with the securities trust custodian. The handling and distribution of such dividends and relevant matters shall be conducted in accordance with the trust custody agreement.
- (4) In the event that the Company undergoes capital reduction or decreases its capital for reason other than mandatory capital reduction or changes in par value, the Company may write-off or adjust the New Restricted Employee Shares already allocated to employee but not yet vested, in proportion to the capital reduction percentage or in proportion to the changes in par value. In the event of capital reduction by cash refund, the cash refunded must be deposited in a trust fund until it may be released for distribution among eligible employee when the terms and conditions for vesting are satisfied, or repossessed by the Company when the terms and conditions for vesting are not satisfied.
- (5) During the period from the transfer suspension dates for stock grant, cash dividend, exercising employee stock options at cash capital increase, transfer suspension for shareholders' meeting as stipulated in Article 165-3 of the Company Act or other mandatory occurrence-based transfer suspension, to the reference date of ex-dividend, a black-out period may apply to vesting shares to employee who have satisfied the terms and conditions for vesting. The time and procedure concerning lifting the said black-out on the vested shares shall follow the trust custody agreement or applicable laws and regulations.

9. Miscellaneous

- (1) Upon issuance the New Restricted Employee Shares must be submitted to trust custody immediately; no employee may demand, with any reason, the custody trustee to return the said Shares until the terms and conditions for vesting have been satisfied.
- (2) A representative assigned from among the Company's employee and fully authorized by the Company and a securities trust custody institute shall be jointly charged with the responsibilities of the matters regarding to (including but not limited to) the negotiation, signing, amendment, extension, cancellation and termination of the respective trust custody agreement, as well as the release, use and disposal of the properties under their custody.

Article 6 Agreement Signing and Confidentiality

1. To become eligible for allotment of the New Restricted Employee Shares, employee must sign to enter into a New Restricted Employee Shares Allotment Agreement when receiving a respective notice from the

undertaking unit of the Company and complete the required trust custody procedure. Failure to complete the said procedure and/or sign the said agreement shall constitute forfeiture of the New Restricted Employee Shares.

2. All employee and individuals receiving the New Restricted Employee Shares and the rights associated with the said Shares shall comply with this Regulations and the New Restricted Employee Shares Allotment Agreement; violation to either one shall constitute failure of meeting the terms and conditions for vesting. The said employee shall also comply with the Company's compensation confidentiality regulations, which prohibit inquiring into and/or disseminating package and/or quantity concerning other associates' New Restricted Employee Shares, and may not disclose information concerning this Regulations and personal package to third party. Violation to this Paragraph shall give the Company the right to recall and write-off, without incurring any liability to the Company, the violator's unvested New Restricted Employee Shares.

Article 7 Taxation

The taxations levied on the New Restricted Employee Shares allocated in accordance with this Regulations shall follow the laws and regulations applicable in the country having jurisdiction over the then current location of the receiving employee.

Article 8 Other important issues

1. These Regulations shall be implemented after approval by more than two-thirds of the directors present and more than half of the attending directors, and after filing with the competent authority. Any amendments before issuance shall follow the same procedure. If amendments are necessary due to changes in laws or requirements of the competent authority, the Chairperson is authorized to amend these Regulations, which shall be submitted to the Board for ratification before issuance.
2. Unless the laws should stipulate the otherwise, the Chair of the Board, with full authorization from the Board, or the proxy authorized by the Chair, may amend this Regulations or take necessary actions to rectify any minor shortfall later found.

Attachment V :

**Comparison Table for the Procedures for the Acquisition and Disposal of Assets
Before and After Amendment**

No.	Current Article	No.	Revised Article	Explanation
Article 30	For the acquisition and disposal of assets by the Company with any of the following situations occurred, prepare the relevant data and then submit it to the website designated by the Financial Supervisory Commission for future reference within two days from the event date: I. It is for the acquisition and disposal of real property or its right-of-use assets with the related party, or for the acquisition and disposal of assets other than the real property or its right-of-use assets for an amount exceeding 20% of the Company's paid-in capital, 10% of the total assets, or NT\$300 million. However, the trade of domestic bonds, R/P and R/S bonds, subscription or R/P of monetary market fund issued by domestic securities investment trusts industry is not subject to this requirement. II. Initiating mergers, divisions, acquisitions, or share transfers; III. The derivative product trade loss reached the limits defined for a master and an individual contract, respectively, according to the Procedures; IV. For the acquisition and disposal of commercial equipment or its right-of-use assets conducted with a non-related party for an amount exceeding the quota stated as below: (I) The public company with a paid-in capital less than NT\$10 billion and a transaction amount exceeding NT\$500 million; (II) The public company with a paid-in capital exceeding NT\$10 billion and a transaction amount	Article 30	For the acquisition and disposal of assets by the Company with any of the following situations occurred, prepare the relevant data and then submit it to the website designated by the Financial Supervisory Commission for future reference within two days from the event date: I. It is for the acquisition and disposal of real property or its right-of-use assets with the related party, or for the acquisition and disposal of assets other than the real property or its right-of-use assets for an amount exceeding 20% of the Company's paid-in capital, 10% of the total assets, or NT\$300 million. However, the trade of domestic bonds, R/P and R/S bonds, subscription or R/P of monetary market fund issued by domestic securities investment trusts industry is not subject to this requirement. II. Initiating mergers, divisions, acquisitions, or share transfers; III. The derivative product trade loss reached the limits defined for a master and an individual contract, respectively, according to the Procedures; IV. For the acquisition and disposal of commercial equipment or its right-of-use assets conducted with a non-related party for an amount exceeding the quota stated as below: (I) The public company with a paid-in capital less than NT\$10 billion and a transaction amount exceeding NT\$500 million; (II) The public company with a paid-in capital exceeding NT\$10 billion, <u>a public company with</u>	Article 31 of the new provisions of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies

No.	Current Article	No.	Revised Article	Explanation
	exceeding NT\$1 billion. V. For the acquisition of real property by a construction on the proprietary land, a construction on the leased land, joint construction with unit division, joint construction with percentage division, and joint construction with land/building sale division, also, the trade counterparty is not a related party, the Company expects to invest for an amount exceeding NT\$500 million. VI. It is for the asset transaction or investment in Mainland China other than those stated in the last <u>five</u> paragraphs for an amount exceeding 20% of the Company's paid-in capital or NT\$300 million. However, the following situations are not subject to this requirement: (I) Trade of domestic bonds or foreign government bonds or foreign government bonds that have sovereign ratings not lower than the same of our country; (II) Trade of R/P & R/S bond, subscription or R/P of monetary funds issued by domestic securities investment trusts;		<u>paid-in capital of less than NT\$50 billion</u>, and a transaction amount exceeding NT\$1 billion. <u>(III) The public company with paid-in capital of NT\$50 billion or more, where the transaction amount reaches 5% or more of its paid-in capital.</u> V. For the acquisition of real property by a construction on the proprietary land, a construction on the leased land, joint construction with unit division, joint construction with percentage division, and joint construction with land/building sale division, also, the trade counterparty is not a related party, the Company expects to invest for an amount exceeding NT\$500 million. <u>VI. In the case of a public company with paid-in capital of NT\$50 billion or more, trading government bonds, plain corporate bonds, and general financial bonds not involving equity interests (excluding subordinated bonds) on a securities exchange or at the business premises of a securities firm, where such transactions do not fall under any of the provisos set forth in paragraph (7) and the transaction counterparty is not a related party, and the transaction amount reaches 5% or more of the company's paid-in capital.</u> VII. It is for the asset transaction or investment in Mainland China other than those stated in the last <u>six</u> paragraphs for an amount exceeding 20% of the Company's paid-in capital or NT\$300 million. However, the following situations are not subject to this requirement: (I) Trade of domestic bonds or foreign government bonds or foreign government bonds that have sovereign ratings not lower than the same of our country; (II) Trade of R/P & R/S bond, subscription or R/P of monetary funds issued by domestic securities investment trusts;	

No.	Current Article	No.	Revised Article	Explanation
	The transaction amount in the preceding paragraph is calculated as follows: I. The amount of each transaction; II. The accumulated amount of the acquisition and disposal of the same subject matter with the same counterparty within one year; III. The accumulated amount (the amount of acquisition and disposal is accumulated separately) of the acquisition and disposal of real property or its right-of-use assets in the same development project within one year; IV. The accumulated amount (the amount of acquisition and disposal is accumulated separately) of the acquisition and disposal of the same marketable securities within one year; The so-called “within one year” in Paragraph 2 should be retroactively calculated for one year based on the event date. The transactions that are announced in accordance with the Procedures are exempted from being incorporated into the retroactive calculation. The Company shall, on a monthly basis, submit the derivative products transactions of the Company and its subsidiaries that are not domestic public companies as of the end of last month in the described format to the website designated by the Financial Supervisory Commission before the 10th day of each month. The mandatory announcement made by the Company with any errors or omissions found at the time being should be corrected and re-announced within two days from the finding day. For the acquisition and disposal of assets by the Company, the relevant contracts, meeting minutes, memorandum, appraisal reports, and the written opinions		The transaction amount in the preceding paragraph is calculated as follows: I. The amount of each transaction; II. The accumulated amount of the acquisition and disposal of the same subject matter with the same counterparty within one year; III. The accumulated amount (the amount of acquisition and disposal is accumulated separately) of the acquisition and disposal of real property or its right-of-use assets in the same development project within one year; IV. The accumulated amount (the amount of acquisition and disposal is accumulated separately) of the acquisition and disposal of the same marketable securities within one year. The so-called “within one year” in Paragraph 2 should be retroactively calculated for one year based on the event date. The transactions that are announced in accordance with the Procedures are exempted from being incorporated into the retroactive calculation. The Company shall, on a monthly basis, submit the derivative products transactions of the Company and its subsidiaries that are not domestic public companies as of the end of last month in the described format to the website designated by the Financial Supervisory Commission before the 10th day of each month. The mandatory announcement made by the Company with any errors or omissions found at the time being should be corrected and re-announced within two days from the finding day. For the acquisition and disposal of assets by the Company, the relevant contracts, meeting minutes, memorandum, appraisal reports, and the written opinions of the accountants, lawyers, or	

No.	Current Article	No.	Revised Article	Explanation
	of the accountants, lawyers, or securities underwriters should be placed within the Company for at least five years, unless otherwise provided by law.		securities underwriters should be placed within the Company for at least five years, unless otherwise provided by law.	
Article 32-1	For the requirement of “10% of the total assets,” the calculation is based on the total assets in the most recent proprietary or individual financial statements that are prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Firms.” For the Company’s stock without a par value or with a par value not for NT\$10, the requirement for the transaction amount exceeding “20% of the paid-up capital” is calculated at 10% of the equity of the parent company. also, when the paid-in capital is NT\$10 billion, the transaction amount is calculated according to the “NT\$20 billion attributable to the shareholders’ equity of the parent company”	Article 32-1	For the requirement of “10% of the total assets,” the calculation is based on the total assets in the most recent proprietary or individual financial statements that are prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Firms.” For the Company’s stock without a par value or with a par value not for NT\$10, the requirement for the transaction amount exceeding “20% of the paid-up capital” is calculated at 10% of the equity of the parent company; <u>the requirement of the transaction amount being “5% of the paid-in capital” shall be calculated as 2.5% of the equity attributable to owners of the parent.</u> Also, when the paid-in capital is NT\$10 billion, the transaction amount is calculated according to the “NT\$20 billion attributable to the shareholders’ equity of the parent company”; <u>the transaction amount requirement applicable where the paid-in capital reaches NT\$50 billion shall be calculated as NT\$100 billion of the equity attributable to owners of the parent company.</u>	Article 35 of the new provisions of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies
Article 34	The Procedures were enacted on June 25, 2003. The 1st amendment was made on June 13, 2007. (Omitted)	Article 34	The Procedures were enacted on June 25, 2003. The 1st amendment was made on June 13, 2007. (Omitted) <u>The 14th amendment was made on May 27, 2026.</u>	To record the revised date of the articles.

Appendix I :

Yageo Corporation Rules of Procedures for Shareholders' Meetings

Article 1: The shareholders' meeting of the Company and relevant matters shall be proceeded with in accordance with these Rules, unless the law and regulations and the Articles of Incorporation provide otherwise.

Article 2: The place for convening a shareholders' meeting shall be held inside the head office or any other place suitable for holding of the said meeting. The time for commencing the said meeting shall not be earlier than 9 o'clock in the morning or later than 3 o'clock in the afternoon.

The aforementioned reporting time shall be handled at least 30 minutes before the start of the meeting; the registration office shall be clearly marked with sufficient and competent personnel appointed to serve. The Company shall record with an audio or video tape the whole proceedings of the shareholders' meeting, and said video tape or audio tape shall be kept for at least one year.

Article 3: The present of shareholders in a shareholders' meeting and their voting thereof shall be calculated in accordance with the number of shares. The number of shares representing shareholders present in the meeting shall be calculated in accordance with those indicated on the attendance book or the attendance cards, and the number of shares in the voting right exercised in writing or electronically. The representative of a corporate shareholder attends the shareholders' meeting shall present a proxy and the identity document during the registration procedure. If a corporate shareholder designated an agent and a representative to represent it at the shareholders' meeting, the designated representative shall prevail. A corporate shareholder being entrusted to attend the shareholders' meeting may designate only one representative to represent it in the meeting according to the same procedure as stated in Paragraph 2.

Article 4: The Company may designate its lawyer, certified public accountant or other relevant persons to attend the shareholders' meeting. The attending staff of the shareholders' meeting shall wear an identification card or badge.

Article 5 If a shareholders' meeting is called by the board of directors, the board chairman shall preside at the said shareholders' meeting. In case of the chairman is on leave of absence, or cannot exercise his powers and authority, the vice chairman shall act in lieu of him. If the vice chairman is also absent or unable to exercise his powers and authority, the chairman shall designate a managing director to act in lieu of him. If the chairman does not designate a director to act in lieu of him, the managing directors or directors shall elect one from among themselves to act in lieu of the chairman. If a shareholders' meeting is called by any person other than the board of directors, who has the right to call the meeting, said person shall preside at that meeting. When there are more than two conveners, one of them should be elected to preside at that meeting.

Article 6: when it is time to convene a shareholders' meeting, the chairman shall immediately convene the meeting, provided, however, that if the shareholders present do not represent a majority of the total amount of issued shares, the chairman may postpone the meeting, provided, however, that the postponement of the said meeting shall be limited to two times, and the total time postponed shall not exceed one hour. If the meeting has been postponed for two times, but the shareholders present still do not represent a majority of the total amount of issued shares, a tentative resolution may be adopted in accordance with Paragraph 1 of

Article 175 of the Company Law by shareholders representing one-third of the total amount of issued shares. Before the close of the said meeting if the shareholders present represent a majority of the total amount of issued shares, the chairman may present the tentative solution so adopted to the meeting for resolution in accordance with the provision of Article 174 of the Company Law.

Article 7: If a shareholders' meeting is called by the board of directors, the proceedings of the meeting shall be formulated by the board of directors, and the meeting shall be proceeded with in accordance with the aid proceedings. The proceedings shall not be changed without a resolution made by the shareholders' meeting. If a shareholders' meeting shall be called by any person other than the board of directors, the preceding provisions shall apply mutatis mutandis to the said meeting.

The chairman shall not adjourn a meeting without resolution adopted by shareholders for the motions (including extraordinary motions). When the chairman violated the provisions of the preceding paragraph and announced to have the shareholders' meeting adjourned, one of the present shareholders can be elected with the consent of the shareholders representing a majority of voting rights to chair the meeting continuously. After close of the said meeting, shareholders shall not elect another chairman to hold another meeting at the same place or any other place.

Article 8: A shareholder wishing to speak in a shareholders' meeting shall first fill out a slip, specifying therein the major points of his speech, his serial number as a shareholder (or number of attendance) and his name, and the chairman (or his designated person) shall determine his order of giving a speech. A shareholder who submits his slip for a speech but does not actually speak shall be considered as not having given a speech. If the contents of his speech shall be different from those specified on the slip, the contents of his speech shall prevail. When a shareholder is giving a speech, the other shareholders shall not interrupt unless they have obtained the prior consent from the chairman and the said shareholder, and the chairman may prevent others from interrupting.

Article 9: A shareholder (including natural persons and legal persons) shall not speak more than two times for one motion, unless he has obtained the prior consent from the chairman, and each speech shall not exceed 2 minutes. If a corporate shareholder designates more than two representatives to attend the meeting, only one of the representatives may speak on any one motion. If the representatives are in dispute or cannot decide who to speak on the motions, the chairman may appoint one of the representatives to give a speech. After a shareholder has given a speech, the chairman may personally or designate relevant personnel to respond.

Article 10: If a shareholder speaks without the consent of the chairman, does not speak in order, speaks over the time limit or frequency, or speaks exceeding the scope of the motion, the chairman may prevent him from doing so. When a shareholder is giving a speech, the other shareholders shall not interrupt unless they have obtained the prior consent from the chairman and the said shareholder, and the chairman may prevent others from interrupting. A shareholder who violates the provisions of this Article in relation to the speech shall be deemed as not giving a speech, and shall be handled in accordance with the provisions of Article 15.

Article 10-1: If there shall be an amendment or alternative to one motion, the chairman may combine the amendment or alternative into the original motion, and determine their orders for resolution. If anyone of the above is resolved, the others shall be considered as vetoed, upon which no further resolution shall be required.

Article 11: A non-motion will not be discussed or resolved. When the chairman considers that the discussion for a motion has reached the extent for making a resolution, he may announce

discontinuance of the discussion and submit the motion for resolution.

Article 12: The voting of the proposal shall be based on the number of shares. A shareholder shall be entitled to one vote for each share held, except for those who are restricted or have no voting rights in accordance with Paragraph 2 of Article 179 of the Company Law. Unless otherwise specifically provided for in other law and the Articles of Incorporation of the Company, resolutions shall be adopted by a majority vote at a meeting attended by the shareholders.

When the Company convened a shareholders' meeting, the voting rights can be exercised by the shareholders in a writing or electronic form. Shareholders who exercise their voting rights in a writing or electronic form are deemed to be present in person at the shareholders' meeting. However, they are deemed as exercising a waiver on the provisional motion of the shareholders' meeting and the amendment of the original motion. Their expression of intention is handled in accordance with the provisions of Article 177-2 of the Company Law.

The resolution of each motion shall be voted by shareholders after the total voting rights of the present shareholders announced by the chairman or his designee. The results of the shareholders' consent, opposition, or waiver shall be entered into the Market Observation Post System after the shareholders' meeting.

The results of resolution(s) shall be announced in the meeting, and recorded in the meeting minutes, including the weight of statistics.

Article 13: The persons for supervising the casting of votes and the counting thereof for resolutions shall be designated by the chairman, provided, however, that the person supervising the casting of votes shall be a shareholder

Article 14: During the proceedings of a meeting, the chairman may consider the schedule and announce for a break; in the event of an air raid, he will stop the meeting and evacuate, and resume the meeting one hour after the alarm is lifted.

Article 15: The chairman may command the picket to assist in maintaining the order of the venue for a smooth proceedings, and the picket shall wear the identification card or badge. Both the shareholders and non-shareholders at the venue shall obey the chairman's command to maintain order and conduct the proceedings. For those who hinder the shareholders' meeting, the chairman or the picket shall have them escorted out of the venue.

Article 16: The matters not addressed in these Rules shall be handled in accordance with the provisions of the Company Law, relevant laws and regulations, and the Articles of Incorporation of the Company. These rules shall be implemented immediately after the approval of the shareholders' meetings, and the same shall apply to the amendments.

The Rules were enacted on March 15, 1990. The 1st amendment was made on June 2, 1998. The 2nd amendment was made on June 18, 2002. The 3rd amendment was made on June 14, 2006. The 4th amendment was made on June 13, 2008. The 5th amendment was made on June 13, 2012. The 6th amendment was made on June 18, 2013. The 7th amendment was made on June 5, 2018.

Appendix II :

Yageo Corporation

Sustainable Development Best Practice Principles

Chapter 1 General Principles

Article 1

The Company in order to fulfill corporate social responsibility initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development, these Principles for Sustainable Development (hereinafter, " Principles ") are adopted pursuant to the provisions of the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”. In accordance with the Principles to manage their economic, environmental and social risks and impact.

Article 2

The Principles apply to the Group, including the entire operations of the Company and its subsidiaries. The Company actively fulfill sustainable development in the course of business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on sustainable development.

Article 3

In fulfilling sustainable development initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.

The Company shall, in accordance with the materiality principle, conduct risk assessments of environmental, social and corporate governance issues pertaining to company operations and establish the relevant risk management policy or strategy.

Article 4

To implement sustainable development initiatives, the Company shall follow the principles below:

- 1.Exercise corporate governance.
- 2.Foster a sustainable environment.
- 3.Preserve public welfare.
- 4.Enhance disclosure of sustainable development information.

Article 5

The Company shall take into consideration the correlation between the development of domestic and international sustainable development principles and corporate core business operations, and the effect of the operation of individual companies and of respective business groups as a whole on stakeholders, in establishing policies, systems or relevant management guidelines, and concrete promotion plans for sustainable development programs, which shall be approved by the board of directors and then reported to the shareholders meeting.

When a shareholder proposes a motion involving sustainable development, the company's board of directors shall review and consider including it in the shareholders meeting agenda.

Chapter 2 Exercising Corporate Governance

Article 6

The Company shall follow the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies, the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the Code of Ethical Conduct for TWSE/GTSM Listed Companies to establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.

Article 7

The directors of the Company shall exercise the due care of good administrators to urge the company to perform its corporate social responsibility initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its sustainable development policies.

The board of directors of the Company shall give full consideration to the interests of stakeholders, including the following matters, in the company's performance of its sustainable development initiatives:

1. Identifying the company's sustainable development mission or vision, and declaring its sustainable development policies, systems or relevant management guidelines;
2. Making sustainable development the guiding principle of the company's operations and development, and ratifying concrete promotional plans for corporate social responsibility initiatives; and
3. Enhancing the timeliness and accuracy of the disclosure of sustainable development information.

The board of directors shall appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the business operations of the Company, and to report the status of the handling to the board of directors. The handling procedures and the responsible person for each relevant issue shall be concrete and clear.

Article 8

The Company shall, on a regular basis, organize education and training on the implementation of sustainable development initiatives, including promotion of the matters prescribed in paragraph 2 of the preceding article.

Article 9

For the purpose of managing sustainable development initiatives, the Company shall establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the sustainable development policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis.

The Company shall adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders.

It is advised that the employee performance evaluation system be combined with sustainable development policies, and that a clear and effective incentive and discipline system be established.

Article 10

The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the company, and establish a designated section for stakeholders on the company website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important sustainable development issues which they are concerned about.

Chapter 3 Fostering a Sustainable Environment

Article 11

The Company shall follow relevant environmental laws, regulations and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business operations and internal management.

Article 12

The Company shall endeavor to utilize all resources more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.

Article 13

The Company shall establish proper environment management systems based on the characteristics of industries. Such systems shall include the following tasks:

1. Collecting sufficient and up-to-date information to evaluate the impact of the company's business operations on the natural environment.
2. Establishing measurable goals for environmental sustainability, and examining whether the development of such goals should be maintained and whether it is still relevant on a regular basis.
3. Adopting enforcement measures such as concrete plans or action plans, and examining the results of their operation on a regular basis.

Article 14

The Company shall establish a dedicated unit or assign dedicated personnel for drafting, promoting, and maintaining relevant environment management systems and concrete action plans, and should hold environment education courses for their managerial officers and other employees on a periodic basis.

Article 15

The Company shall take into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact on the natural environment and human beings from business operations:

1. Reduce resource and energy consumption of their products and services.
2. Reduce emission of pollutants, toxins and waste, and dispose of waste properly.
3. Improve recyclability and reusability of raw materials or products.
4. Maximize the sustainability of renewable resources.
5. Enhance the durability of products.
6. Improve efficiency of products and services.
7. Enhance the conservation of marine and terrestrial biodiversity and ecosystems, promote the sustainable use of resources, and ensure fair and equitable benefits.

Article 16

To improve water use efficiency, The Company shall properly and sustainably use water resources and establish relevant management measures.

The Company shall construct and improve environmental protection treatment facilities to avoid polluting water, air and land, and use their best efforts to reduce adverse impact on human health and the environment by adopting the best practical pollution prevention and control measures.

Article 17

The Company shall assess the current and future potential risks and opportunities that climate change may present to enterprises and to adopt climate related measures.

The Company shall adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:

1.Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company.

2.Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam.

The Company shall compile statistics on greenhouse gas emissions, volume of water consumption and total weight of waste and to establish policies for energy conservation, carbon and greenhouse gas reduction, reduction of water consumption or management of other wastes. The company's carbon reduction strategies should include obtaining carbon credits and be promoted accordingly to minimize the impact of business operations on climate change.

Chapter 4 Preserving Public Welfare

Article 18

The Company shall comply with relevant laws and regulations, and the International Bill of Human Rights, with respect to rights such as gender equality, the right to work, and prohibition of discrimination.

The Company, to fulfill its responsibility to protect human rights, shall adopt relevant management policies and processes, including:

1.Presenting a corporate policy or statement on human rights.

2.Evaluating the impact of the company's business operations and internal management on human rights, and adopting corresponding handling processes.

3.Reviewing on a regular basis the effectiveness of the corporate policy or statement on human rights.

4.In the event of any infringement of human rights, the company shall disclose the processes for handling of the matter with respect to the stakeholders involved.

The Company shall comply with the internationally recognized human rights of labor, including the freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, and shall ensure that their human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status, so as to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities.

The Company shall provide an effective and appropriate grievance mechanism with respect to matters adversely impacting the rights and interests of the labor force, in order to ensure equality and transparency of the grievance process. Channels through which a grievance may be raised shall be clear, convenient, and unobstructed. A company shall respond to any employee's grievance in an appropriate manner.

Article 19

The Company shall provide information for employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the companies have business operations.

Article 20

The Company shall provide safe and healthful work environments for employees, including necessary health and first-aid facilities and shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents.

The Company shall organize training on safety and health for employees on a regular basis.

Article 21

The Company shall create an environment conducive to the development of employees' careers and establish effective training programs to foster career skills.

It is advisable for the Company to establish placement programs to cultivate future industry talents.

The Company shall establish and implement reasonable employee welfare measures (including remuneration, leave and other welfare etc.) and appropriately reflect the business performance or achievements in the employee remuneration, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.

Article 22

The Company shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information on and express their opinions on the company's operations, management and decisions.

The Company shall respect the employee representatives' rights to bargain for the working conditions, and shall provide the employees with necessary information and hardware equipment, in order to improve the negotiation and cooperation among employers, employees and employee representatives.

The Company shall, by reasonable means, inform employees of operation changes that might have material impacts.

Article 22-1

The Company shall treat customers or consumers of its products or services in a fair and reasonable manner, including according to the following principles: fairness and good faith in contracting, duty of care and fiduciary duty, truthfulness in advertising and soliciting, fitness of products or services, notification and disclosure, commensuration between compensation and performance, protection of the right to complain, professionalism of salespersons etc. The company shall also develop the relevant strategies and specific measures for implementation.

Article 23

The Company shall take responsibility for products and services, and take marketing ethics seriously. In the process of research and development, procurement, production, operations, and services, the company shall ensure the transparency and safety of products and services. They further shall establish and disclose policies on consumer rights and interests, and enforce them in the course of business operations, in order to prevent the products or services from adversely impacting the rights, interests, health, or safety of consumers. .

Article 24

The Company shall ensure the quality of products and services by following the laws and regulations of the government and relevant standards of industries.

The Company shall follow relevant laws, regulations and international guidelines in regard to customer health and safety and customer privacy involved in, and marketing and labeling of, products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.

Article 25

The Company shall evaluate and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on consumers and society.

The Company shall provide a clear and effective procedure for accepting consumer complaints to fairly and timely handle consumer complaints, shall comply with laws and regulations related to the

Personal Information Protection Act for respecting consumers' rights of privacy and shall protect personal data provided by consumers.

Article 26

The Company shall assess the impact of their procurement on society as well as the environment of the community that they are procuring from, and shall cooperate with their suppliers to jointly implement the sustainable development initiative.

The Company shall establish supplier management policies and request suppliers to comply with rules governing issues such as environmental protection, occupational safety and health or labor rights. Prior to engaging in commercial dealings, the Company shall assess whether there is any record of a supplier's impact on the environment and society, and avoid conducting transactions with those against sustainable development policy.

When the Company enter into a contract with any of major suppliers, the content should include terms stipulating mutual compliance with sustainable development policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused significant negative impact on the environment and society of the community of the supply source.

Article 27

The Company shall evaluate the impact of business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance.

The Company shall, through equity investment, commercial activities, endowments, volunteering service or other charitable professional services etc., dedicate resources to organizations that commercially resolve social or environmental issues, participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development.

Chapter 5 Enhancing Disclosure of Sustainable Development Information

Article 28

The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and shall fully disclose relevant and reliable information relating to their sustainable development initiatives to improve information transparency.

Relevant information relating to sustainable development which the Company shall disclose includes:

- 1.The policies, systems or relevant management guidelines, and concrete promotion plans for sustainable development initiatives, as resolved by the board of directors.
- 2.The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.
- 3.Goals and measures for realizing the sustainable development initiatives established by the companies, and performance in implementation.
- 4.Major stakeholders and their concerns.
- 5.Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.
- 6.Other information relating to sustainable development initiatives.

Article 29

The Company shall adopt internationally widely recognized standards or guidelines when producing sustainable development reports, to disclose the status of their implementation of the sustainable development policy. It also is advisable to obtain a third-party assurance or verification for reports to

enhance the reliability of the information in the reports. The reports are advised to include:

- 1.The policies, systems, or relevant management guidelines and concrete promotion plans for implementing sustainable development initiatives.
- 2.Major stakeholders and their concerns.
- 3.Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development.
- 4.Future improvements and goals.

Chapter 6 Supplementary Provisions

Article 30

The Company shall at all times monitor the development of domestic and foreign sustainable development standards and the change of business environment so as to examine and improve the established sustainable development framework and to obtain better results from the implementation of the sustainable development policy.

Article 31

The Principles were enacted on November 10, 2020.

The 1st amendment was made on March 17, 2022.

The 2nd amendment was made on October 30, 2025.

Appendix III :

Yageo Corporation **Articles of Incorporation** (Before Amendments)

Chapter 1 General Rules

Article 1

The Company shall be established in accordance with the regulations governing corporations with limited liabilities and shall be named Yageo Corporation.

Article 2

The authorized scope of business includes:

- (1) C801030 Precision Chemical Materials Manufacturing
- (2) C901010 Pottery and Ceramics Products Manufacturing
- (3) CA05010 Powder Metallurgy
- (4) CB01010 Machinery and Equipment Manufacturing
- (5) CB01990 Other Machinery Manufacturing Not Elsewhere Classified
- (6) CC01080 Electronic Parts and Components Manufacturing
- (7) CC01110 Computers and Computing Peripheral Equipments Manufacturing
- (8) CC01990 Electrical Machinery and Supplies Manufacturing
- (9) CE01010 Precision Instruments Manufacturing
- (10) CE01990 Other Photographic and Optical Instruments Manufacturing
- (11) F113010 Wholesale of Machinery
- (12) F113030 Wholesale of Precision Instruments
- (13) F119010 Wholesale of Electronic Materials
- (14) F213030 Retail sale of Computing and Business Machinery Equipment
- (15) F213040 Retail Sale of Precision Instruments
- (16) F213080 Retail Sale of Machinery and Equipment
- (17) F219010 Retail Sale of Electronic Materials

Article 3

The Company shall make endorsements to external parties as required by corporate businesses.

Article 4

The Company shall be a shareholder of other limited corporation. Total investment made by the Company shall not be restricted to 40% of the Company's paid-in capital as stipulated in Article 13 of the R.O.C. Company Law.

Article 5

The Company shall establish its headquarters and production plants in New Taipei City, Taiwan and shall establish branches in Taiwan and overseas, if necessary

Chapter 2 Shares

Article 6

The Company's capital shall be NT\$40 billion divided into 16 billion shares at NT\$2.5 par. The Company shall issue preferred stock shares. Outstanding shares shall be issued with the Board of Directors' prior approval. NT\$3.25 billion out of the aforementioned capital, totaled 1.3 billion shares, shall be reserved for issuance of share certificates applicable to the employees and shall be issued in installments with the Board of Directors' prior approval.

Article 7

The Company shall assign its share certificates with serial numbers. The share certificates shall be signed or sealed by the director representing the Company, and shall be duly certified by the bank which is competent to certify shares under the laws before issuance thereof.

The Company may issue dematerialized shares, but shall register the new shares with Taiwan Securities Central Depository Co., Ltd. (TSCD) or keep the shares under TSCD's custody.

The provisions of the last two paragraphs shall apply mutatis mutandis to issuance of corporate bonds.

Article 8

The Company shall attend to affairs pertinent to its shares in accordance with the Guidelines Governing the Affairs Related to the Shares Issued by Public Companies and other relevant laws and regulations.

Article 9

Change of titles to the Company's shares shall be suspended within 60 days before the Annual Regular Shareholders' Meeting, within 30 days before the Provisional Shareholders' Meeting or within 5 days prior to the cutoff date after which the Company shall distribute stock dividends, bonus, or other benefits.

Chapter 3 Shareholders' Meeting

Article 10

There are regular and provisional shareholders' meeting: The Company shall hold 1. The Annual Regular Shareholders' Meeting within six months after the close of each fiscal year. 2. The Extraordinary Shareholders' Meeting is deemed necessary by the Board of Directors in accordance with relevant laws and regulations.

Article 11

The Company shall make public announcement and notify the shareholders within 30 days before the Annual Regular Shareholders' Meeting and within 15 days before the Extraordinary Shareholders' Meeting of the date, venue, and agenda of discussion of such meeting. However, the Company may notify the shareholders holding less than 1000 shares with a public announcement only.

Article 11-1

The Shareholders' Meeting may be held via video conferencing or other methods announced

by the central competent authority.

For the preceding paragraph, the public company shall be subject to prescriptions provided for by the competent authority in charge of securities affairs, including the prerequisites, procedures, and other compliance matters.

Article 12

The Shareholders' Meeting shall pass resolutions with a quorum representing over half of the issued shares and the agreement of over half of the quorum unless otherwise stipulated in the R.O.C. Company Law. The Company's proposed merger with other companies shall not require the approval of the Special Shareholders' Meeting on matters pertaining to the merger.

Article 13

Shareholders may appoint a proxy to attend a Shareholders' Meeting in his/her/its behalf by executing a power of attorney printed by the company stating therein the scope of power authorized to the proxy. Except in trust business or share affairs agencies authorized by the competent authority, in the case where a proxy is assigned by two separate shareholders with total holdings exceeding 3%, the proxy is only entitled to voting rights up to 3%. Voting rights derived from the portion above the 3% threshold shall be void. The Company shall exercise proxy policy in accordance with the Regulations Governing the Proxy Used in Shareholders' Meetings held by Public Company.

Article 14

The Shareholders' Meeting shall be conducted following the relevant rules established by the Company unless otherwise provided for in the R.O.C. Company Law and in the Company's Articles of Incorporation.

Article 15

The Company shall make meeting minutes of the resolutions passed in the Shareholders' Meeting with the signature and seal of the chairperson and shall distribute the minutes to the shareholders within 20 days after the Shareholders' Meeting. The Company may publish the aforementioned minutes publicly as notice to holders of less than 1000 bearer's shares. The meeting minutes shall specify the date, venue, the name of the chairperson, the way in which the resolutions are passed, and summarize events taken place during the meeting and the resolutions. The meeting minutes shall be signed and sealed by the chairperson and shall be kept by the Company together with the shareholders register book and proxies.

Chapter 4 Directors and Auditors

Article 16

The Company shall elect at the Shareholders' Meeting 9 to 13 board members from candidates listed in the slate of directors to serve up to a term of three years and shall extend their terms if re-elected. The shares held by the board of directors shall be within the levels stipulated by the competent authority.

A candidate nomination system shall be applied in the election of Directors based on the Company Law Article 192- 1.

The independent directors must not be less than three persons and not be less than one-fifth of

the number of directors. The professional qualifications, restrictions on shareholdings and concurrent positions, methods of nomination and election and any other related rights and obligation with respect to independent directors are based on Securities Exchange Act and other related regulations.

The Company may take out liability insurance for directors to provide coverage for their legal liabilities arising from the performance of their duties as they relate to the Company.

Article 16-1

The reward of the directors is given based on the basic reward standard of the industry. If the Company got profits, it also must give another reward based on Article 24.

Article 16-2

Based on Securities Exchange Act Article 14-4, the Audit Committee is composed of all independent directors, and one of the directors must become convener and at least one of the directors have an accounting and financial expertise. The Audit Committee rights and obligations are based on Securities Exchange Act and other related regulations.

Article 17

The Board of Directors shall appoint a Chairman to represent the Company and a Vice Chairman from among the board members. When the Chairman is on leave or unable to perform his or her duty, the Vice Chairman shall take the place of the Chairman. When the Vice Chairman is also on leave or unable to perform his or her duty, the Chairman shall designate one of the board members to take his or her place. If the Chairman fails to make designation, the board members shall appoint a member among themselves to take the place of the Chairman.

Article 18

The Board of Directors shall pass resolutions with over 1/2 quorum and the approval of over half of the quorum present, unless otherwise provided for in the R.O.C. Company Law and the Company's Articles of Incorporation.

In the case where the Board of Directors meeting is held via video conferencing, the board members who so attended shall be considered present in person. In the case where the board member is unable to attend, he or she may assign other board members to attend on his or her behalf with a proxy and shall specify the authorized scope of the proxy.

Article 18-1

In calling a meeting of the Board of Directors, a notice setting forth therein the subject(s) to be discussed at the meeting shall be given to each director no later than 7 days prior to the scheduled meeting date. However, in the case of emergency, the meeting may be convened at any time. The notice set forth in the preceding Paragraph may be affected by means of electronic transmission, emails or postal letters, after obtaining a prior consent from the recipient(s) thereof.

Article 19

The duties of the board members shall include:

1. Composing the business plan;

2. Proposing earnings distribution plan or plan for making up the losses;
3. Proposing plan for capital increase or decrease;
4. Approving important corporate policies and contracts;
5. Electing and terminating the President and Managers of the Company;
6. Establishing and withdrawing the branch offices;
7. Approving the budget and financial accounts;
8. All matters shall be decided by resolutions of the Board of Directors, unless the Law or Articles of Incorporation provide certain matters shall be resolved at the Shareholders' Meeting.
9. Any matter required by any other law, regulation, or bylaw to be approved by resolution at a shareholders' meeting or board meeting, or any such significant matter as may be prescribed by the competent authority.

Article 20, 21 and 21-1 are no longer valid.

Chapter 5 Managers

Article 22

The Company shall appoint one to be CEO, one to be President, and some to be Managers of the Company. The appointment, dismissal, and remuneration packages for the Managerial officers of the Company are determined in accordance with Article 29 of the R.O.C. Company Law. Managerial officers shall be empowered to manage the Company's matters and sign relevant business documents, which are authorized by the Company's Articles of Incorporation or the employment contract.

Chapter 6 Accounting

Article 23

The Company's fiscal year shall be from January 1 to December 31. The Company shall make final accounts at the end of each fiscal year and the Board of Directors shall submit all reports in accordance with Article 228 of the R.O.C. Company Law, and shall submit the audit report of the aforementioned accounts to the Shareholders' Meeting for approval

Article 24

If there is profit generated for the year, the Company shall set aside not less than 2% employee compensation and not more than 3% compensation for the directors. But if there are accumulated losses, the Company shall have reserved a sufficient amount to offset its accumulated losses.

The total amount of employee compensation set aside according to the preceding paragraph shall be allocated at least 1% of profit generated for the year to distribute to its non-executive employees. The employee compensation would be distributed in the form of cash or shares to its employees of domestic and foreign subsidiaries. The employee compensation regulation shall be prescribed upon the resolution of Board of Director's meeting.

If the Company made a profit for the year, the Company must pay tax and make up for the accumulated losses first, also share the remaining profit as follows:

I. Set aside 10% of the earnings as legal reserve. However, when the legal reserve amount equals to the paid-in capital of the Company, it is not subject or such restriction.

II. Set aside or reverse special reserve in accordance with the relevant laws and regulations.

III. Pay dividends or bonuses for an amount not less than 10% of the amount net of the legal reserve and special reserve as stipulated in the preceding paragraph. The Board of Director shall prepare the earnings distribution proposal for the resolutions of the shareholders' meeting. However, if the earnings distribution proposal is for the distribution of dividend and bonus in cash entirely or partially, it shall be resolved by the Board of Directors with the attendance of more than two-thirds of the directors and the consent of the majority of attending directors; also, it shall be reported in the shareholders' meeting.

The Company's dividend distribution policy should be based on shareholders' equity and the current and future industrial competition faced by the Company, the investment environment, and fund demand. The Board of Directors is authorized to propose the distribution ratio of cash and stock dividend, and has it resolved according to the legal procedures. Dividend distributed by cash may not be less than 50% of total dividend distributed unless the Board of Directors approved by resolution in view of the long-term business operation.

If the Company has no loss, the legal reserve and the Company's additional paid-in capital as stipulated in Paragraph 1, Article 241 of the Company Law can be distributed to the shareholders proportionally according to the resolution of the Board of Directors with the attendance of more than two-thirds of the directors and the consent of the majority of attending directors; also, it shall be reported in the shareholders' meeting.

Article 24-2

The Company's earnings distribution or loss recovery can be completed at the end of each interim fiscal year.

The Company before distributing the earnings of the first half of the fiscal year as stated in the preceding paragraph should estimate and retain the amount of tax payable, loss coverage, employee compensation, and the provision of earnings reserved in advance. However, when the legal reserve equals to the amount of paid-in capital, it is not subject to this restriction.

The proposal for the earnings distribution or loss recovery in Paragraph 1 shall take into account the operating conditions and cash flows for the year; also, it should be submitted to the Audit Committee for review along with the business report and financial statements and then to the Board of Directors for resolutions, If the earnings distribution handled with new stock shares issued, the Board of Directors shall submit it in the shareholders' meeting for resolutions in accordance with the provisions of Article 240 of the Company Law.

Article 25

In regard to all matters not provided for in the Articles of Incorporation, the R.O.C. Company Law shall govern.

Article 26

The Company's Memorandum of Incorporation was stipulated on July 23, 1987.

The 1st amendment of the MOI on May 2, 1988

The 2nd amendment of the MOI on June 12, 1989

The 3rd amendment of the MOI on September 25, 1989
The 4th amendment of the MOI on November 22, 1989
The 5th amendment of the MOI on March 15, 1990
The 6th amendment of the MOI on September 29, 1990
The 7th amendment of the MOI on November 3, 1990
The 8th amendment of the MOI on April 29, 1991
The 9th amendment of the MOI on April 14, 1992
The 10th amendment of the MOI on June 3, 1993
The 11th amendment of the MOI on April 19, 1994
The 12th amendment of the MOI on April 28, 1995
The 13th amendment of the MOI on April 23, 1996
The 14th amendment of the MOI on May 14, 1997
The 15th amendment of the MOI on June 2, 1998
The 16th amendment of the MOI on June 5, 1999
The 17th amendment of the MOI on June 14, 2000
The 18th amendment of the MOI on May 15, 2001
The 19th amendment of the MOI on June 18, 2002
The 20th amendment of the MOI on June 25, 2003
The 21th amendment of the MOI on June 18, 2004
The 22th amendment of the MOI on June 20, 2005
The 23th amendment of the MOI on June 14, 2006
The 24th amendment of the MOI on June 13, 2007
The 25th amendment of the MOI on June 16, 2009
The 26th amendment of the MOI on June 10, 2011
The 27th amendment of the MOI on June 13, 2012
The 28th amendment of the MOI on June 18, 2013
The 29th amendment of the MOI on June 11, 2014
The 30th amendment of the MOI on July 29, 2014
The 31th amendment of the MOI on June 3, 2016
The 32th amendment of the MOI on June 5, 2018
The 33th amendment of the MOI on June 5, 2019
The 34th amendment of the MOI on June 5, 2020
The 35th amendment of the MOI on June 8, 2022
The 36th amendment of the MOI on June 6, 2023
The 37th amendment of the MOI on May 30, 2024
The 38th amendment of the MOI on May 27, 2025.

Appendix IV :

Yageo Corporation

Procedures for the Acquisition and Disposal of Assets

(Before Amendments)

Chapter I General Rules

Article 1 The “Procedures for the Acquisition and Disposal of Assets” (referred to as the “Procedures” hereinafter) is enacted in accordance with the provisions of Article 36-1 of the Securities and Exchange Act.

Article 2 The Company’s acquisition and disposal of assets shall be handled in accordance with the Procedures..

Article 3 The applicable scope of the assets referred to in the Procedures is as follows:

- I. Investments in stocks, bonds, corporate bonds, financial bonds, fund-based securities, depositary receipts, call (put) warrants, beneficiary securities, and asset-based securities;
- II. Real property (including land, housing and construction, investment real property, and right-of-use land) and equipment;
- III. Membership cards;
- IV. Intangible assets, such as, patents, copyrights, trademarks, and charters;
- V. Right-of-use assets
- VI. Claims of financial institutions (including receivables, exchanges discount and loans, and collections);
- VII. Derivative products;
- VIII. Assets acquired and disposed of in accordance with legal mergers, clearing, acquisitions, or share transfers;
- IX. Other important assets;

Article 4 The terms used in the Procedures is defined as follows:

- I. Derivative products: Its value is derived from the specific interest rate, financial instrument price, product price, exchange rate, price or rate index, credit rating or credit index, or forward contracts derived from other variables, option contracts, leverage bond contract, swap contract, the combination of the aforementioned contracts, embedded derivative portfolio contract, and structured products. The so-called forward contracts does not include insurance contracts, performance contracts, after-sales service contracts, long-term lease contracts, and long-term purchase (sale) contracts.

- II. Assets acquired or disposed of by legal mergers, divisions, acquisitions, or share transfers: It refers to the assets acquired and disposed of by mergers, divisions, or acquisitions in accordance with the Business Mergers and Acquisitions Act, the Financial Holding Company Law, the Financial Institutions Merger Act, or other law, or issuing new shares according to Article 156-3 of the Company Law in exchange for the stock shares of other companies (referred to as “share transfers” hereinafter).
- III. Related party and subsidiaries: It is recognized in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Firms.”
- IV. Professional appraisers: It refers to the real property appraisers or other persons who are legally engaged in real property and equipment appraisal services.
- V. Event date: It refers to the transaction contract signing date, payment date, entrusted transaction date, transfer date, board resolution date, or the date on which the transaction counterparty and transaction amount are fully determined, whichever is sooner. However, investors who are subject to the approval of the competent authorities shall comply with the date in the preceding paragraph or the date an approval received from the competent authorities, whichever is sooner.
- VI. Investment in Mainland China: It refers to the investment in Mainland China in accordance with the “Regulations Governing the Approval of Investment or Technical Cooperation in Mainland China” promulgated by the Investment Commission, MOEA.
- VII. Net value: It refers to the net value in the latest consolidated statement audited or certified by a public certified accountant.

Article 5 For the appraisal report or the opinion of an accountant, lawyer, or security underwriter obtained by the Company, the professional appraisal service company and its appraisers, accountants, lawyers, or security underwriters must meet the following requirements:

- I. They have not been convicted of violating the Procedures, Company Act, Banking Act, Insurance Act, Financial Holding Company Act, Business Entity Accounting Act, or fraud, breach of trust, encroachment, falsification of documents or business crimes, and is subject to a term of imprisonment of more than one year. However, if the execution is completed, the probation period expires, or the pardon has been completed for three years, it is not subject to this restriction.
- II. They are not a related party of or have a substantive relationship with the trade party.
- III. If the company should obtain an appraisal report from two or more professional appraisal service companies, the appraisal companies or appraisers may not be related to each other or have a substantive relationship.

Chapter 2 Procedures

Section 1 Formulation of procedures

Article 6 The formulation of the Procedures must be approved by the Audit Committee, resolved by the Board of Directors, and resolved in the shareholders meeting, and the same shall apply to the amendments.

In the event that the acquisition and disposal of an asset is reported to the Company's Board of Directors for discussion in accordance with the provisions mentioned in the preceding paragraph, the opinions of each independent director shall be fully considered. If the independent director has had any objection or reservation, it shall be stated in the minutes of the board meeting.

The matters in Paragraph 1 shall be with the consent of a majority of the Audit Committee and shall be resolved in the board meeting.

If the said transaction of assets in the preceding paragraph is without the approval of a majority of the Audit Committee, it may be resolved with the consent of more than two-thirds of all directors; also, the resolution of the Audit Committee shall be stated in the minutes of the board meeting.

The members of Audit Committee mentioned in Paragraph 3 and the preceding paragraph and the board directors mentioned in the preceding paragraph are counted by the actual incumbent.

Article 7 The following matters are documented and handled in accordance with the Procedures:

I. Scope of assets: Please refer to Article 3 of the Procedures.

II. Evaluation procedures:

(I) Acquisition or disposal of securities

1. Evaluation: The undertaking unit shall make an assessment on the purpose of the transaction, the content of the subject matter, and the price reference.

2. Pricing method:

(1) Acquiring or disposing of securities that have been traded in the stock exchange market or TPEx, depending on the listing or market price at the time.

(2) Acquiring or disposing of securities or private placement securities that are not traded in the stock exchange market or TPEx. Please refer to Article 10 of Section 2 of the Procedures for the pricing method.

(II) Acquisition or disposition of real property, equipment, or other right-of-use assets

1. Evaluation: The undertaking unit shall make an assessment on the purpose of the transaction, the content of the subject matter, the price reference, and the terms of collection and payment.

2. Pricing method: Please refer to Article 9 of Section 2 of the Procedures..

(III) Acquisition or disposal of intangible assets, or right-of-use assets or membership

1.Evaluation: The undertaking unit should evaluate the benefit, the duration of the patent obtained, and the price reference.

2.Pricing method: Please refer to Article 11 of Section 2 of the Procedures.

(IV) Assets acquisition or disposal with a related party: Please refer to Section 3 of the Procedures.

(V) Engaged in derivatives trading: Please refer to Section 4 of the Procedures.

(VI) Business mergers, divisions, acquisitions, and share transfers: Please refer to Section 5 of the Procedures.

III. Operating procedures:

(I) Transaction amount and level:

For the Company's acquisition or disposal of assets with any of the following circumstances for an amount below the threshold of reporting, the chairman or the general manager or the designated person may determine an action plan without the need of submitting it to the Board of Directors for a resolution.

1.The purpose of the acquisition or disposal of assets is for the short-term fund planning and operation of the finance department (such as, money market operation tools, including bond funds). The so-called "short-term" in this clause meant for one year. However, if the Company's business cycle is longer than one year, the business cycle shall prevail.

2.Regarding the transaction amount of a derivative product, it refers to the transactions conducted within the derivative product transaction amount resolved by the Board of Directors.

(II) Execution unit:

1.Long-term and short-term portfolio investment: The stock affairs and finance related units.

2.Real property, other fixed assets, membership cards, and intangible assets: The application and asset management related unites.

3.Engaged in derivative products: The finance unit

4.Acquisition or disposal of assets by legal mergers, divisions, acquisitions, or transfer of shares: An ad hoc group formed by the relevant units.

IV. Announcement reporting procedure: Please refer to Chapter 3 of the Procedures.

V. The non-operating assets amount acquired by the Company and its subsidiaries:

1.The total amount of investment in non-operating real property or short-term securities is limited to 20% of the net value, and the amount of investment in individual short-term securities is limited to 10% of the net value.

2.The total amount of investment in long-term and short-term portfolio is limited to 250% of the net value, and the amount of investment in individual long-term securities is limited to 150% of the net value. If there is a major expansion in

investment, the Board of Directors is authorized to have it approved and presented in the shareholders meeting for resolutions.

VI. The Company shall supervise the acquisition or disposal of assets of its subsidiaries, and its supervision and management shall be handled in accordance with the relevant provisions of the Company and the “Procedures for the Acquisition or Disposal of Assets” of each subsidiary.

VII. The violation committed by the relevant personnel against the “Guidelines Governing the Acquisition or Disposal of Assets of the Public Companies” or the Procedures should be handled in accordance with the relevant requirements of the Company.

The subsidiaries of the Company shall enact and implement the “Procedures for the Acquisition or Disposal of Assets” in accordance with the provisions of the Procedures. If the subsidiary does not have the “Procedures for the Acquisition or Disposal of Assets” formulated, it should be handled in accordance with the provisions of the Procedures.

Article 8 If the Company’s acquisition or disposal of assets must be approved by the Board of Directors according to the Procedures or other laws, it shall be reported to the Audit Committee for approval in advance.

When the Company has the acquisition or disposal of the asset transactions presented to the Board of Directors for discussion in accordance with the provisions of the preceding paragraph, the opinions of the independent directors should be fully considered. The objections or reservations, if any, of the independent directors should be stated in the minutes of board meeting.

The Company’s major assets or derivative product transactions shall be approved by a majority of the Audit Committee members, resolved by the Board of Directors, and subject to the provisions of Paragraph 4 and 5 of Article 6.

Section II Acquisition or disposal of assets

Article 9 For the acquisition and disposal of real property, equipment, or its right-of-use assets by the Company, except for the transactions with domestic government agencies, construction on proprietary land, construction on leased land, or acquisition and disposal of commercial equipment or its right-of-use assets, if the transaction amount exceeds 20% of the Company’s paid-in capital or NT\$300 million, an appraisal report should be received from the professional appraiser before the event date in compliance with the following provisions:

I. When the transaction price must be set by referring to the limited price, specific price, or special price for a special reason, such transaction must be resolved in the board meeting in advance; any change in the transaction conditions in the future should be handled the same way

II. If the transaction amount exceeds NT\$1 billion, an appraisal report should be obtained from more than two professional appraisers.

III. If the appraisal result of the professional appraiser is with any of the following situations, except for when the appraisal result of the acquired assets is higher than the transaction amount or when the appraisal result of the assets disposed is lower than the transaction amount, the accountant should be commissioned to have it handled in accordance with express an opinion on the reasons for the differences and the adequacy of the transaction price:

(I) The difference between the appraisal result and the transaction amount exceeds 20% of the transaction amount.

(II) The difference in appraisal result between two or more professional appraisers exceeds 10% of the transaction amount.

IV. The date of the report issued by the professional appraiser and the contract signing date shall not be apart for more than three months. However, if the present value of the same announcement period is applied and it has not exceeded six months, the original professional appraiser may issue a written opinion.

Article 10 For the acquisition and disposal of securities, the Company shall obtain the most recent financial statements of the target company that have been audited or verified by the accountant in advance for reference in appraisal. In addition, if the transaction amount accounted for more than 20% of the company's paid-up capital or NT\$300 million, the accountant should be consulted before the event date to express an opinion on the reasonableness of the transaction price. However, if such securities are with a public offer or the Financial Supervisory Committee (referred to as the "FSC" hereinafter) has it stipulated otherwise; it is not subject to the said requirements.

Article 11 If the Company's acquisition and disposal of intangible assets, right-of-use assets, or membership for a transaction amount exceeding 20% of the Company's paid-up capital or NT\$300 million, except for the transactions conducted with domestic government agencies, the accountant should be consulted before the event date to express an opinion on the reasonableness of the transaction price

Article 11-1 The calculation of the transaction amount in the last three paragraphs should be handled in accordance with Paragraph 2 of Article 30; and the so-called "within one year" should be retroactively calculated for one year based on the event date. The transactions that are with an appraisal report received from the professional appraiser or with the accountant's opinion obtained according to the provision of the Regulations are exempted from being incorporated into the retroactive calculation.

Article 12 For the acquisition and disposal of assets through the procedure of court auction, the certificate issued by the court may be used to replace the appraisal report or the opinion of an accountant.

Section III Related party transactions

Article 13 For the acquisition and disposal of assets between the Company and its related parties, in addition to handling matters in accordance with the relevant resolution procedures stated in the preceding paragraph and this paragraph, and assessing the reasonableness of the transaction conditions, when the transaction amount accounted for more than 10% of the Company's total assets, the appraisal report issued by the professional appraiser or the accountant's opinion shall be obtained in accordance with the provisions stated in the preceding paragraph.

The calculation of the transaction amount in the preceding paragraph shall be handled in accordance with the provisions of Article 11-1.

When judging whether the counterparty is a related party, in addition to paying attention to its legal form, the substantive relationship should also be considered.

Article 14 For the acquisition and disposal of real property or its right-of-use assets with the related party, or for the acquisition and disposal of assets or right-of-use assets other than the real property for an amount exceeding 20% of the Company's paid-in capital, 10% of the total assets, or NT\$300 million, except for the trade of domestic bonds, R/P and R/S bonds, subscription or R/P of monetary market fund issued by domestic securities investment trusts industry, the following information should be submitted to the Audit Committee for approval and to the Board of Directors for resolutions before having the trade contract signed and payment made:

- I. The purpose, necessity, and expected benefits for the acquisition and disposal of assets;
- II. The reason for having the related party selected as the counterparty;
- III. The relevant information used to assess the reasonableness of the trade conditions related to the acquisition and disposal of real property or its right-of-use assets with the related party according to the provisions of Article 15 and Article 16;
- IV. The original acquisition date and price of the related party, the counterparty, and its relationship with the Company and the related party;
- V. The monthly cash receipts and payments forecast in the coming year starting from the contracting month, and assessing the necessity of the transaction and the rationality of the use of funds;
- VI. The appraisal report issued by the professional appraiser or accountant's opinion

obtained in accordance with the provisions stated in the preceding paragraph;

VII. The restrictions and other important agreed matters of this transaction;

For the following transactions conducted between the Company and its parent company, subsidiaries, or the subsidiaries with 100% issued shares or total capital held by the Company directly or indirectly, the Board of Directors may authorize the Chairman to make a discretionary decision for a certain amount in accordance with Section 3, Paragraph 1 of Article 7, and then report it in the most recent board meeting afterward for approval:

I. Obtain or dispose of equipment or its right-of-use assets for business operation.

II. Obtain or dispose of the real estate and its right-of-use assets for business operation.

In the case of reporting matters to the Board of Directors in accordance with the provision stated in Paragraph 1, the opinions of each independent director should be fully considered. If the independent directors have objections or reservations, they should be stated in the minutes of board meeting.

In the case of reporting matters to the Audit Committee for acceptance in accordance with the provisions in Paragraph 1, it should be approved by a majority of the members of the Audit Committee and resolved in the board meeting in accordance with the relevant provisions of Paragraph 4 and 5 of Article 6.

The Company or its subsidiary that is not a domestic public-listed company may not proceed with entering into any agreement or assuming payment obligation for any transaction that is mentioned in the First Subparagraph and with an amount equals to or exceeds 10% of the Company's total assets before the Company has submitted the information listed in the First Subparagraph to and obtained approval from the shareholders' meeting. However, this Paragraph does not apply to transactions between the Company and its parent company or subsidiary or among its subsidiaries.

The amount concerning the First Subparagraph and the above Subparagraph shall be calculated in accordance with Article 30-2. However, the amount that has been submitted to and approved by the Audit Committee and further approved by the Shareholders' Meeting and the Board of Directors in accordance with this processing procedure within one year prior to the date on which the transaction in question takes place may be exempted from the said calculation.

Article 15 The acquisition of real property or its right-of-use assets from related parties should be with the reasonableness of transaction cost assessed in accordance with the following methods:

I. The necessary fund interest and the cost of the buyer by law should be charged according to the transaction price of the related party. The so-called "necessary fund interest cost" is computed according to the weighted average interest rate of the loans in the year the Company purchased the assets, but it shall not be higher than the non-financial industry maximum loan rate announced by the Ministry of Finance.

II. If the related party has provided the subject matter as collateral for a loan from the financial institution, the financial institution will estimate the total value of such subject matter, but the cumulative loan granted by the financial institution for the subject matter shall exceed 70% of the total estimated value for a loan period more than one year. However, if the financial institution has maintained a relationship with one of the two trading parties, it is not subject to such requirement.

For the acquisition or lease of the same object of land and building, the transaction cost of the land and the building can be assessed separately according to any of the methods stated in the preceding paragraph

For the acquisition of real property or its right-of-use assets from the related parties, the Company, in addition to assessing the cost of the real property or its right-of-use assets according to the provisions in the Paragraph 1 and Paragraph 2, shall consult the accountant for a review with specific opinions expressed.

For the acquisition of real property or its right-of-use assets from the related parties, in any of the following circumstances, it shall be handled in accordance with the provisions stated in Article 14 instead of the provisions stated in the last three paragraphs:

- (I) The related party has acquired the real property or its right-of-use assets due to inheritance or gift.
- (II) The time for the related party to contract for the acquisition of real property or its right-of-use assets has been more than five years from the contracting date of this transaction.
- (III) Sign a contract for co-construction with the related party, or obtain the real property that is constructed by the related party through the construction on the proprietary land or construction on the leased land.
- (IV) The real property and its right-of-use assets acquired for business operation between the Company and its parent company, subsidiaries, or the subsidiaries with 100% issued shares or total capital held by the Company directly or indirectly.

Article 16 If the valuation result performed by the Company in accordance with the provisions stated in Paragraph 1 and Paragraph 2 is lower than the transaction price, it shall be handled in accordance with the provisions of Article 17. However, if it is due to the following reasons with objective evidence presented and the specific reasonable opinions of the real property appraisers and accountants are obtained, it is not subject to the said requirement:

- I. If the related party has acquired land or a leased land for construction, it has to prove its complying with one of the following conditions:
 - (I) Plain land should be assessed according to the method stipulated in the preceding paragraph. Building is calculated according to the construction cost of the related party plus reasonable construction profit, which exceeds the actual transaction price.

The so-called “reasonable construction profit” is based on the lower of the average operating gross profit margin of the related party’s construction department in the last three years or the latest construction industry gross profit margin announced by the Ministry of Finance.

(II) The trade of other floors in the same building or in the adjacent areas completed within one year by the non-related party, and the trade conditions are equivalent judging by the price difference of the reasonable floor or region in the general real property trade practice.

II. The Company proves that the real property purchased or its right-of-use assets obtained by lease from the related party are with equivalent conditions to the trading conditions of other non-related party’s trade in the adjacent area for the similar floorage within one year.

The so-called “adjacent area” trade mentioned in the preceding paragraph is based on the same or adjacent street and distanced from the target subject less than 500 meters away or with similar present value. The so-called “similar floorage” is based on the trade floorage of the non-related party that is not less than 50% of the transaction floorage of the subject matter. The so-called “within one year” is to calculate price retroactively for one year based on the event date of the acquisition of real property or its right-of-use assets.

Article 17 For the acquisition of real property or its right-of-use assets from the related parties, if the evaluation results are lower than the transaction price according to the provisions stated in Article 15 and Article 16, the following matters shall be handled:

I. For the difference between the transaction price and assessed cost of the real property or its right-of-use assets, a special reserve shall be appropriated in accordance with Paragraph 1 of Article 41 of the Securities and Exchange Act, and it shall not be distributed or capitalized with stock shares distributed. If the invested company under the equity method is found with the aforementioned situations, the Company should have a special reserve appropriated proportionally to the shareholding ratio in accordance with the provisions of Paragraph 1 of Article 41 of the Securities and Exchange Act.

II. The independent directors of the Audit Committee shall handle the matter in accordance with Article 218 of the Company Law.

III. The processes stated in Paragraph 1 and Paragraph 2 should be reported in the shareholders meeting and the details of the transaction should be disclosed in the annual report and the prospectus.

For the special reserve appropriated the Company according to the provision stated in the preceding paragraph, it cannot be used until the assets purchased or leased at a high price is with the loss in valuation recognized, disposed, lease terminated, or properly compensated or resumed to its original form, or concluded as reasonable with proof, and with the approval

of the Financial Supervisory Commission.

For the acquisition of real property or its right-of-use assets from the related party by the Company, if there is any evidence that the transaction is with irregular business practice, it shall also be handled in accordance with the provisions stated in the last two paragraphs.

Section 4 Engaged in Derivative Financial Products Trading

Article 18 The Company shall engage in the transaction of derivative products with attention paid to the following risk management and audit control:

I. Trading principles and guidelines:

(I) Types of derivative product transactions:

The Company may engage in all derivative products as defined in Paragraph 1 of Article 4 of the Procedures.

(II) Operating or hedging strategy:

The transactions of the derivative products referred to in the Procedures may be classified as “not for trading purposes” and “for trading purposes” by holding or issuing purposes.

“For trading purposes” means that the purpose of holding or distributing derivative products is to earn the trading spread, including trading activities that are measured at fair value through profit or loss. Also, it is operated on a flexible and maneuverable basis.

“Not for trading purposes” means that the purpose of holding or distributing derivative products is to circumvent the risks arising from changes in the financial market interest rates, exchange rates, stock prices, and asset prices of the Company now or in the future. Also, it is operated on the principle of stability and conservativeness

(III) Division of powers and responsibilities:

1.Accounting Unit:

- (1)Practice bookkeeping and prepare financial statements in accordance with generally accepted accounting principles.
- (2)Regular announcements and declarations

2.Finance Unit:

- (1)Keep abreast of market information, judge trends and risks, and be familiar with derivative products.
- (2)Estimate the Company’s overall foreign exchange and other hedging position demand, avoid risks according to the Company’s policies, and target on revenues and costs.
- (3)Master the derivative product position transactions, calculate the realized and unrealized gains and losses, and control the trading risk.

(4)Coordinate with the use of bank credit line and calculate cash flow in detail in order to handle the settlement task.

3.Audit Unit:

Perform regular and occasional audits in accordance with the internal audit system.

(IV) Performance assessment essentials:

The Finance Department should periodically assess the net profit and loss and provide a transaction position assessment report to the responsible supervisor as a basis for management reference and performance evaluation I order to adjust and improve operational strategies.

(V) Total amount of trade contract:

1.Not for trading purposes:

It is limited to the total amount of assets or liabilities that the Company has had and expected to generate within the year.

2.Total product trade amount:

The total amount of the trade contract at any one point of time does not exceed 10% of the Company's net value.

(VI) The limits for total and individual contract loss:

1.Not for trading purposes:

(1)The estimated loss of a single contract does not exceed 20% of the trade amount converted into New Taiwan Dollar.

(2) The estimated total loss of contracts does not exceed 10% of the trade amount converted into New Taiwan Dollar.

2.Product trade

The maximum loss limit is not set by individual contract, and the same standard contract is used to determine the total contract loss limit for each type of derivative product:

(1)Forward contract or futures: The difference between the market price and the average cost of the holding position is 5%.

(2)Options:

The Company is the buyer: the limit of premium paid is capped at 5% of the total contract amount.

The Company is the seller: In addition to the royalties collected, 5% of the total contract amount is charged.

(3)SWAP and other portfolio: 5% of the total contract amount.

II. Risk management measures: It is handled according to the provisions of Article 19 of the Procedures.

III. Internal audit system: It is handled according to the provisions of Paragraph 2 of Article 21 of the Procedures.

IV. Regular evaluation methods and abnormal situation handling: It is handled according to the relevant provisions of the Procedures.

Article 19 The Company while engaging in derivative products trading should adopt the following risk management measures:

I. The scope of risk management

(I) Credit risk:

The Company's trading partners are the banks that have contacts with the Company or internationally renowned financial institutions that can provide professional information.

(II) Market price risk:

The Company shall control the market price risk of derivative products at any time that is arising from the changes in interest rates and exchange rate or other factors.

(III) Liquidity risk:

To ensure liquidity, the counterparty of the transaction must have sufficient equipment, information, and trading capabilities, and can trade in any market.

(IV) Cash flow risk:

The Company shall maintain sufficient quick assets and financing credits in response to the demand for fund settlement.

(V) Operations risk:

According to the division of powers and responsibilities of each department, the processes of transaction, confirmation, settlement, accounting, and profit and loss control are managed by the respective responsible department in order to reduce the operations risk.

(VI) Law risk:

The documents signed by the Company and the counterparty should be reviewed by internal legal personnel or legal consultants with legal advices provided.

II. Traders engaged in derivative products and operators for confirmation and settlement shall not be the same individuals.

III. The personnel responsible for risk measurement, supervision, and control, and the operators for confirmation and settlement as stated in the preceding paragraph shall be in different departments, and shall report to the Board of Directors or high-level supervisors who are not responsible for trade or the decision-making of the position.

IV. The position of the derivative product intended for trade purpose shall be assessed at least once a week, but the risk-hedging transaction (not for trade purpose) required for the business is to be assessed at least twice a month. The evaluation report shall be submitted to the senior executives authorized by the Board of Directors.

Article 20 The Board of Directors shall strictly supervise and manage the derivative product transaction of the Company according to the following principles:

- I. Designate senior executives to pay attention to the supervision and control of derivative product trading risks.
- II. Regularly assess whether the performance of the derivative product transaction is in line with the established business strategy and whether the risk assumed is tolerable to the Company.

The senior executives authorized by the Board of Directors shall manage the derivative product transactions in accordance with the following principles:

- I. Regularly assess whether the currently used risk management measures are appropriate and whether it is handled in accordance with the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” and the Procedures.
- II. Supervise the transaction and profit and loss situation, if abnormal circumstances are found, the necessary countermeasures shall be taken, and report to the Board of Directors immediately. The independent directors shall attend the boarding meeting and express their opinions.

The Company when engaging in the derivative product transactions through the personnel authorized in accordance with the “Procedures for Engaging in Derivative Products” shall report it to the Board of Directors afterward.

Article 21 In the case of a derivative product transaction, the Company shall have a memorandum established with the type and amount of the derivative product transaction, the resolution date of the board meeting, and the respective criteria for prudent assessment according to Paragraph 4 of Article 19, Section 2, Paragraph 1 and Section 1 of Paragraph 2 of Article 20 detailed in the memorandum.

The internal auditors of the Company should regularly understand the adequacy of the internal control for derivative product transactions, and audit the compliance of the trade department in derivative product transactions on a monthly basis with an audit report issued. If major violations are found, the Audit Committee shall be notified in writing.

Section V Business mergers, divisions, acquisitions, and share transfers

Article 22 The Company shall, in the course of convening a board meeting to resolve the proposal for a merger, division, acquisition, or share transfer, commission an accountant, a lawyer, or a securities underwriter to express an opinion on the reasonableness of the conversion ratio, the purchase price, or the distribution of cash or other property to the shareholders and have it presented to the Board of Directors for resolutions in advance. However, for the merged subsidiaries with 100% issued shares or total capital held by the Company directly or

indirectly, or, for the mergers between the subsidiaries that are with 100% issued shares or total capital held by the Company directly or indirectly, it is not necessary to obtain an opinion on the reasonableness of the aforementioned transaction criteria from the said experts.

Article 23 The Company shall have the mergers, divisions, or acquisitions contractual contents and related matters included in the public documents presented to the shareholders before the shareholders meeting, together with the expert opinions stated in Paragraph 1 and the shareholders meeting notice for the reference of the shareholder in deliberating the decision of a merger, division, or acquisition. However, for the mergers, divisions, or acquisitions that are exempted from being resolved in the shareholders meeting by law, it is not subject to this requirement.

For those companies participating in a merger, division, or acquisition or the shareholders meeting of the Company, if a shareholders meeting cannot be convened or resolved due to the insufficient attendance, insufficient voting rights, or other legal restrictions, or the proposal is rejected in the shareholders meeting, the Company should have the root cause announced to the public immediately, including the follow-up operations and the date on which the shareholders meeting is expected to be held.

Article 24 The companies or the Company participating in a merger, division, or acquisition, unless otherwise provided by other law or for specific reasons approved by the Financial Supervisory Commission, should have the board meeting and shareholders meeting convened on the same day to resolve the merger, division, or acquisition related matters.

The companies and the Company participating in the share transfer, unless otherwise provided by other law or for specific reasons approved by the Financial Supervisory Commission, should have the board meeting convened on the same day.

The Company participating in mergers, divisions, acquisitions, or share transfers shall have the following data composed into written records and kept for five years for future reference:

- I. Basic personnel information: It includes the persons who participated in the merger, division, acquisition, or share transfer plan before the news is announced to the public, or their title, name, and identity card number (or passport number of foreigners).
- II. Important event date: It includes the dates of, such as, signing a letter of intent or memorandum, entrusting financial or legal counsels, signing a contract, and the board meetings.
- III. Important documents and meeting minutes: It includes mergers, divisions, acquisitions, or share transfers plans, letters of intent or memoranda, important contracts, and minutes of board meetings.

The Company participating in mergers, divisions, acquisitions, or share transfers shall,

within two days from the date of the resolution reached in the board meeting, prepare the data as indicated in Paragraph 1 and Paragraph 2 in the described form and then report to the Financial Supervisory Commission for future reference by the Internet Information System. The non-listed companies or companies without stock traded at TPEx participating in mergers, divisions, acquisitions, or share transfers should sign an agreement with the Company in accordance with the provisions of Paragraph 3 and Paragraph 4.

Article 25 All individuals who participate in or are aware of the mergers, divisions, acquisitions, or share transfers plans of the Company shall sign a written confidentiality agreement. The contents of the plan shall not be disclosed to the public before the news is announced, nor may they buy the stock shares or stock-based securities from the companies related to the mergers, divisions, acquisitions, or share transfers in their own name or in the name of others.

Article 26 When the Company participates in mergers, divisions, acquisitions, or share transfers, the conversion ratio or purchase price shall not be arbitrarily changed except in the following cases, and the acceptable changes shall be defined in the merger, division, acquisition, or share transfer contract:

- I. Handle cash capital increase; issue convertible corporate bonds, stock dividend, bond with attached warrant, preferred stocks with attached warrants, warrants, and other stock-based securities.
- II. Dispose the major assets of the Company and other activities that affect the Company's financial business.
- III. The occurrence of major disasters and major technological changes that affect the shareholders' equity or securities prices of the Company;
- IV. The adjustment made to the treasury stock repurchased by one of the companies involved in the merger, division, acquisition, or share transfer;
- V. Changes in the number of entities or companies involved in the merger, division, acquisition, or share transfer;
- VI. Other conditions for making changes are detailed in the contract and disclosed to the public.

Article 27 In the case of participation in a merger, division, acquisition, or share transfer, the Company should detail the relevant rights and obligations and the following matters in the contract:

- I. The treatment of default;
- II. The principle of dealing with stock-based securities issued or treasury stock repurchased before the company is eliminated or divided due to a merger.
- III. The shares of treasury stock to be repurchased by the participating company after the

- base date of conversion ratio calculation and its principle of handling;
- IV. The principle of dealing with the changes in the number of participating entities or companies;
- V. The progress of the project planned and the completion date scheduled;
- VI. The relevant processing procedures to be implemented when the plan is not completed within the time limit, such as, the scheduled date of the shareholders meeting that is to be convened in accordance with the law;

Article 28 After participating in a merger, division, acquisition, or share transfer, and disclosing the information to the public, if any of the participating companies intends to merge, divide, acquire, or transfer shares with other companies, unless the number of participating companies is reduced and it is resolved in the shareholders meeting to authorize the Board of Directors to change the authority, which is then exempted from convening the shareholders meeting to reach a resolution again, the completed procedures or legal act in the original merger, division, acquisition, or share transfer shall be carried out again by all the participating companies.

Article 29 If a company that participates in a merger, division, acquisition, or share transfer is not a public company, the Company should have an agreement signed with it in accordance with Articles 24, Article 25, and Article 28.

Chapter III Information disclosure

Article 30 For the acquisition and disposal of assets by the Company with any of the following situations occurred, prepare the relevant data and then submit it to the website designated by the Financial Supervisory Commission for future reference within two days from the event date:

- I. It is for the acquisition and disposal of real property or its right-of-use assets with the related party, or for the acquisition and disposal of assets other than the real property or its right-of-use assets for an amount exceeding 20% of the Company's paid-in capital, 10% of the total assets, or NT\$300 million. However, the trade of domestic bonds, R/P and R/S bonds, subscription or R/P of monetary market fund issued by domestic securities investment trusts industry is not subject to this requirement.
- II. Initiating mergers, divisions, acquisitions, or share transfers;
- III. The derivative product trade loss reached the limits defined for a master and an individual contract, respectively, according to the Procedures;
- IV. For the acquisition and disposal of commercial equipment or its right-of-use assets conducted with a non-related party for an amount exceeding the quota stated as below:

- (I) The public company with a paid-in capital less than NT\$10 billion and a transaction amount exceeding NT\$500 million;
 - (II) The public company with a paid-in capital exceeding NT\$10 billion and a transaction amount exceeding NT\$1 billion.
- V. For the acquisition of real property by a construction on the proprietary land, a construction on the leased land, joint construction with unit division, joint construction with percentage division, and joint construction with land/building sale division, also, the trade counterparty is not a related party, the Company expects to invest for an amount exceeding NT\$500 million.
- VI. It is for the asset transaction or investment in Mainland China other than those stated in the last five paragraphs for an amount exceeding 20% of the Company's paid-in capital or NT\$300 million. However, the following situations are not subject to this requirement:
- (I) Trade of domestic bonds or foreign government bonds or foreign government bonds that have sovereign ratings not lower than the same of our country;
 - (II) Trade of R/P & R/S bond, subscription or R/P of monetary funds issued by domestic securities investment trusts;

The transaction amount in the preceding paragraph is calculated as follows:

- I. The amount of each transaction;
- II. The accumulated amount of the acquisition and disposal of the same subject matter with the same counterparty within one year;
- III. The accumulated amount (the amount of acquisition and disposal is accumulated separately) of the acquisition and disposal of real property or its right-of-use assets in the same development project within one year;
- IV. The accumulated amount (the amount of acquisition and disposal is accumulated separately) of the acquisition and disposal of the same marketable securities within one year;

The so-called "within one year" in Paragraph 2 should be retroactively calculated for one year based on the event date. The transactions that are announced in accordance with the Procedures are exempted from being incorporated into the retroactive calculation.

The Company shall, on a monthly basis, submit the derivative products transactions of the Company and its subsidiaries that are not domestic public companies as of the end of last month in the described format to the website designated by the Financial Supervisory Commission before the 10th day of each month.

The mandatory announcement made by the Company with any errors or omissions found at the time being should be corrected and re-announced within two days from the finding day.

For the acquisition and disposal of assets by the Company, the relevant contracts, meeting minutes, memorandum, appraisal reports, and the written opinions of the accountants, lawyers, or securities underwriters should be placed within the Company for at least five

years, unless otherwise provided by law.

Article 31 For the transactions declared and reported by the Company in accordance with the provisions stated in the preceding paragraph with one of the following circumstances, it should be reported on the website designated by the Financial Supervisory Commission within two days from the event date:

- I. The relevant contract signed for the original transaction has been changed, terminated, or cancelled.
- II. Mergers, divisions, acquisitions, or share transfers are not completed according to the contractual schedule.
- III. The contents of the original announcement have been changed.

Chapter IV Annex

Article 32 The subsidiary of the Company is not a public company in Taiwan and the matters related to the acquisition and disposal of assets that should be announced in accordance with Chapter III will be handled by the Company.

For the subsidiary stated in the preceding paragraph that is subject to the reporting standards stated in Paragraph 1 of Article 30, which refers to an amount of the paid-up capital or total assets, it shall base on the paid-in capital or total assets of the Company.

Article 32-1 For the requirement of “10% of the total assets,” the calculation is based on the total assets in the most recent proprietary or individual financial statements that are prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Firms.”

For the Company’s stock without a par value or with a par value not for NT\$10, the requirement for the transaction amount exceeding “20% of the paid-up capital” is calculated at 10% of the equity of the parent company. also, when the paid-in capital is NT\$10 billion, the transaction amount is calculated according to the “NT\$20 billion attributable to the shareholders’ equity of the parent company”.

Article 33 The Procedures will be implemented with the approval of the shareholders meeting.

Article 34 The Procedures were enacted on June 25, 2003.

The 1st amendment was made on June 13, 2007.

The 2nd amendment was made on June 13, 2008.

The 3rd amendment was made on June 16, 2009.

The 4th amendment was made on June 10, 2011.

The 5th amendment was made on June 13, 2012.

The 6th amendment was made on June 18, 2013.

The 7th amendment was made on June 11, 2014.

The 8th amendment was made on June 6, 2017.

The 9th amendment was made on June 5, 2018.

The 10th amendment was made on June 5, 2019.

The 11th amendment was made on September 7, 2021.

The 12th amendment was made on June 8, 2022.

The 13th amendment was made on May 27, 2025.

Appendix V :

Current Shareholding of Directors

1. The paid-in capital of the Company is NTD 5,182,414,550, with a total of 2,072,965,820 outstanding shares.
2. According to Article 26 of the Securities and Exchange Act and Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies:
 - (1) The minimum number of shares to be held by the entire directors is 66,334,906 shares.
 - (2) As the Company has established the Audit Committee, the minimum shareholding requirements for supervisors are not applicable.
3. As of the date for book closure for this shareholders' meeting, the shareholding of each individual and entire directors stipulated in the shareholders roster is as follows:

Record Date: March 29, 2026

Title	Name	Shareholding on the shareholders' registry	
		Shares	Ratio (%)
Chairman	TMC Family Heritage Representative: Tie-Min Chen	141,441,068	6.82%
Director	Hsu Chang Investment Ltd. Representative: Chin-San Wang, Shih-Chien Yang, Deng-Rue Wang, Ching-Chang Yen, Shu-Chen Tsai	15,289,364	0.73%
Director	SHI HEN ENTERPRISE LTD. Representative: CHEN, SHAO-CHIAO	1,328,616	0.06%
Independent Director	Cheng-Ling Lee	-	0.00%
Independent Director	Lin Hsu Tun Son	-	0.00%
Independent Director	Lai-Fu Lin	-	0.00%
Independent Director	HSU, CHEN-I	-	0.00%
Total		158,059,048	7.61%

Note: The book closure period for this shareholders' meeting is from March 29, 2026 to May 27, 2026.