

Stock Code: 2539

SAKURA DEVELOPMENT CO., LTD

2026 Annual Shareholders' Meeting

Meeting Handbook

Form of Shareholders' Meeting: Physical

Time: 09:30 a.m., June 16, 2026

Venue: B1F, No. 57, Guanqian Rd., West Dist.,
Taichung City (Hotel National)

Table of Contents

One.	Meeting Procedure	1
Two.	Meeting Agenda	2
	I. Reports	3
	II. Ratifications	5
	III. Discussions.....	6
	IV. Elections	7
	V. Other proposals	10
	VI. Extempore Motions	10
Three.	Attachment.....	11
	I. 2025 Business Report.....	11
	II. 2025 Audit Committee's Audit Report	12
	III. Remuneration of Directors in 2025.....	14
	IV. Related Party Transaction Status in 2025	16
	V. 2025 Audit Report and Financial Statements.....	17
	VI. 2025 Earnings Distribution Statement.....	33
	VII. Table of Comparison of the Revised Articles of Incorporation	34
Four.	Appendix.....	41
	I. Articles of Incorporation (Before Amendment).....	41
	II. Rules and Procedures for Shareholders' Meetings	47
	III. Procedures for Election of Directors.....	50
	IV. Status of Holdings of Directors.....	53

SAKURA DEVELOPMENT CO., LTD

2026 Annual Shareholders' Meeting Procedures

- I. Meeting called to order
- II. Chairman's speech
- III. Reports
- IV. Ratifications
- V. Discussions
- VI. Elections
- VII. Other proposals
- VIII. Extempore Motions
- IX. Meeting Ends

SAKURA DEVELOPMENT CO., LTD

2026 Annual Shareholders' Meeting Agenda

Time: 09:30 a.m. (Tuesday), June 16, 2026

Venue: B1F, No. 57, Guanqian Rd., West Dist., Taichung City (Hotel National)

Form of Shareholders' Meeting: Physical

- I. Meeting called to order
- II. Chairman's speech
- III. Reports
 - (I) 2025 Business Report.
 - (II) 2025 Audit Committee's Audit Report.
 - (III) 2025 distribution of remuneration to employees and directors.
 - (IV) Report on 2025 Distribution of Remuneration of Directors.
 - (V) Report on related party transactions for 2025.
- IV. Ratifications
 - (I) 2025 Business report and financial statements.
 - (II) 2025 earnings distribution proposal.
- V. Discussions
 - (I) Amendment to the Articles of Incorporation.
 - (II) Issuance of new shares through capitalization of the 2025 earnings.
- VI. Elections: comprehensive re-election of directors.
- VII. Other proposals: lifting the competition prohibition on newly-appointed directors.
- VIII. Extempore Motions
- IX. Meeting Ends

Reports

I. 2025 Business Report.

Explanation: The 2025 Business Report has been presented in Attachment I on page 11 of this handbook.

II. 2025 Audit Committee's Audit Report.

Explanation: The Audit Committees' Report has been presented in Attachment II on page 12 of this handbook.

III. 2025 distribution of remuneration to employees and directors.

Explanation: 1. According to the Company's Articles of Incorporation, if the Company has profit for the year, no less than 0.5% shall be allocated for employee bonus and no more than 2 percent of the income shall be allocated for director remuneration.

2. In 2025, the Company's allocated employee remuneration was about 0.51%, with an amount of NT\$ 2644,227, and the director remuneration was about 0.97%, with an amount of NT\$ 5076,3583. The employee remuneration was paid in cash.

IV. Report on 2025 Distribution of Remuneration of Directors.

Explanation: 1. The Company's policy of remuneration of directors, individual remuneration content and amount, and its correlation to the performance evaluation.

(1) Remuneration Policy:

The Articles of Incorporation of the Company specify that the Board of Directors is authorized to determine the remuneration for directors based on the level of individual directors' participation in the Company's operation and the value of the contributions each has made to the Company, with reference to the ordinary standards of industry competitors; however, independent directors shall not participate in the distribution of annual remuneration of directors.

(2) Remuneration Content and Amount:

The content of the remuneration of directors in 2025 included the fixed monthly compensation, remuneration to directors, and professional service fees. The disclosure method of individual names and remuneration is adopted.

(3) Correlation between the remuneration determination procedure and the performance evaluation results:

The remuneration of directors is assessed by the Remuneration Committee in accordance with the "Regulations Governing the Remuneration of Directors and Functional Committees" and submitted to the Board of Directors for resolution on the remuneration distribution.

2. For the remuneration of directors in 2025, please refer to Attachment III on page 14 of this handbook.

V. Report on related party transactions for 2025.

Explanation: For the 2025 related party transactions status, please refer to Attachment IV on page 16 of this handbook.

Ratifications:

Item 1: (Proposed by the Board of Directors)

Proposal: The 2025 Business Report and financial statements are hereby submitted for approval.

Explanation: 1. The Board of Directors has prepared and submitted the Company's 2025 parent company only and consolidated financial statements, which have been audited by CPAs Cheng, Chien-Hsien and Tao, Hung-Wen of BDO Taiwan. The Audit Committee has reviewed the financial statements and the business report.

2. The 2025 Business Report has been presented in Attachment I on page 11 of this handbook.

3. Please refer to Attachment V on pages 17 to 32 of this handbook for the Auditor's Report and financial statements.

Resolution:

Item 2: (Proposed by the Board of Directors)

Proposal: The 2025 Earnings Distribution Proposal is hereby submitted. Please approve.

Explanation: 1. The Company's 2025 after-tax net profit is to NT\$4,124,248,741. After allocating legal reserve pursuant to the law, the remainder plus opening undistributed earnings became the distributable earnings, which is NT\$3,929,28,883. The shareholders' dividend to be distributed is NT\$3,340,687,229(stock dividend of NT\$2.2 and cash dividend of NT\$0.6 per share); the closing undistributed earnings after distribution is NT\$588,593,654.

2. If subsequent changes such as the Company's share repurchase, cancellation, issuance of new shares, or other reasons affecting the number of the Company's outstanding shares, causing a change to the number of shares outstanding and the dividend rate, it is proposed that the Board of Directors be fully authorized to handle such matters.

3. The Company's 2025 Earnings Distribution Statement has been presented in Attachment VI on page 33 of this handbook.

Resolution:

Discussions:

Item 1: (Proposed by the Board of Directors)

Proposal: Please discuss the amendment to the Articles of Incorporation.

Explanation: For the comparison table of the revised Articles of Incorporation, see Attachment VII on page 34 of this handbook.

Resolution:

Item 2: (Proposed by the Board of Directors)

Proposal: Please discuss the issuance of new shares through capitalization of the 2025 earnings.

Explanation

1. In order to replenish the working capital, the Company plans to allocate shareholders' dividends of NT\$2,624,825,680 from the distributable surplus in 2025, and issue new shares of NT\$10 per share for capital increase of 262,482,568 shares.
2. The share dividends are distributed according to the ratio of each shareholder's holding on the record dates at 220 shares from the earning for every 1,000 shares held.
3. For the distribution of odd-lot shares, the shareholders may consolidate them into round lots on their own, or cash may be paid at face value (calculated up to NT\$1). For all odd-lot shares, the Chairman is authorized to contact specific persons for purchase at face value. The Company will deliver the distributed shares through book transfer, and the funds from odd-lot shares allocated to shareholders will be used as operating expenses for book transfer.
4. The rights and obligations associated with the new shares issued for the capitalization are identical to those associated with the existing common shares.
5. For matters related to the capital increase plan, after the resolution of the shareholders' meeting and the approval of the competent authority, the Board of Directors is authorized to determine the ex-date for the capital increase and related matters.
6. If subsequent changes such as the Company's share repurchase, cancellation, issuance of new shares, or other reasons affecting the number of the Company's outstanding shares, causing a change to the number of shares outstanding and the dividend rate, it is proposed that the shareholders' meeting authorizes the Board of Directors to handle related matters.

Resolution:

Elections:

Proposal: Comprehensive re-election of directors. (Proposed by the Board of Directors)

Explanation:

1. The term of office of the directors of the Company will expire on June 12, 2026, and they will be fully re-elected at this ordinary shareholders' meeting.
2. According to the Articles of Incorporation of the Company, five to nine directors are established. For the election of directors, the candidate nomination system is adopted, and seven directors (including three independent directors) are to be elected this time, with the term of office of three years from June 16, 2026 to June 15, 2029.
3. The list of director candidates has been approved by the Board of Directors on April 21, 2026. Shareholders shall elect directors and independent directors for the list of candidates. For details of the education, experience and other relevant information for each candidate, please refer to the table below.

Election result:

List of Candidates for Directors of SAKURA DEVELOPMENT CO., LTD

Category of candidate	Name	Number of shares held	Major experience & education	Current employment	Reasons for renominating an independent director for three consecutive terms
Directors	Chen, Shin-Ying	6,062,413	Dept. of Civil Engineering, Chung Hua University General Manager of SAKURA DEVELOPMENT CO., LTD	Chairman of SAKURA DEVELOPMENT CO., LTD	Not applicable.
Directors	Pair, Shwu-Jeng	1,875,742	Degree in accounting, Tamkang University Director of Chia-Mao Construction Co., Ltd. Director of Pao-Hsin Construction Co., Ltd.	CEO and Director of Ho-Yang Management Consultant Co., Ltd. Chairman of Ho Yuan International Investment Co., Ltd. Chairman of Pao-Shun Energy Co., Ltd. Chairman of Pao-Shou Energy Co., Ltd. Chairman of Ho Hsin Investment Co., Ltd. Director of Chia-Mao Construction Co., Ltd. Director of JINN WEI ENGINEERING AND CONSTRUCTION CO., LTD. Director of PJ Asset Management Co., Ltd. Director of MASADA TECHNOLOGY CO., LTD. Director of Ina Energy Corporation	Not applicable.
Directors	Ho-Yang Management Consultant Co., Ltd. Representative: Wu, Pei-Chuan	226,159,850	Department of Accounting, Feng Chia University Supervisor of Ho Hsin Investment Co., Ltd. Supervisor of LUMI HEALTH INNOVATION CO., LTD.	Manager of Risk Management Division, Ho-Yang Management Consultant Co., Ltd. Director of PJ Asset Management Co., Ltd. Director of MASADA TECHNOLOGY CO., LTD. Director of Ina Energy Corporation Chairman of Pau Shi Energy Corp.	Not applicable.
Directors	Ho-Yang Management Consultant Co., Ltd. Representative: Chiang, Yao-Chun	226,159,850	Dept. of civil engineering, China College of Business and Industry Manager of the Construction Department, and Management Department, Sakura Development Co., Ltd.	Manager of Construction Department and Information Technology Department, Sakura Development Co., Ltd.	Not applicable.

Category of candidate	Name	Number of shares held	Major experience & education	Current employment	Reasons for renominating an independent director for three consecutive terms
Independent Director	Wang, Kuei-Yuan	0	Ph.D., business administration, National Taiwan University of Science and Technology Consultant, Medical Research Department, Affiliated Hospital of China Medical University Director, Taiwan Association for Teacher Professional Development	Associate Professor, Asia University Independent Director, Lingsen Precision Industries, Ltd.	The independent director candidate, Wang, Kuei-Yuan, possesses extensive experience in financial management, accounting, ESG practices and corporate operational risk management. His expertise is expected to provide valuable professional insights for the Company's business planning and decision-making; therefore, he has been renominated as an independent director in this election.
Independent Director	Hsu, Wen-Tsung	0	Department of Law, National Taiwan University PhD. in Law, Peking University Judge, Tainan District Court Judge, Taoyuan District Court Independent Director, Advanced Connection Technology Inc.	Managing Partner and Attorney, Wei-Han Attorneys-at-Law Independent Director, Weltrend Semiconductor Inc.	None
Independent Directors	Huang, Chiung-Yao	0	Ph.D. in Management, National Chung Hsing University Associate Chair of Department of Accounting, National Yunlin University of Science and Technology ESG Instructor, China Productivity Center	Professor, National Yunlin University of Science and Technology	None

Other proposals:

Proposal: The lifting the competition prohibition on newly-appointed directors is discussion. (Proposed by the Board of Directors)

- Explanation:
1. According to Article 209 of the Company Act, directors who act for themselves or others within the company's business scope shall explain the important content of their actions to and obtain permission from the shareholders meeting.
 2. Under the condition where the interests of the Company are not damaged, it is proposed to request the general shareholders' meeting to agree to remove the non-compete restriction for the newly elected directors.
 3. Job details of directors for the removal of non-compete restriction are as follows.

Title	Name	Company name and position concurrently held
Directors	Pair, Shwu-Jeng	Chairman of Pao-Shun Energy Co., Ltd.
		Chairman of Pao-Shou Energy Co., Ltd.
		Director of Chia-Mao Construction Co., Ltd.
		Corporate Director Representative of Masada Technology Company Limited
		Representative of Legal Person Director of Pao-Ching Energy Co., Ltd.
Representative of Ho-Yang Management Consultant Co., Ltd.	Wu, Pei-Chuan	Corporate Director Representative of Masada Technology Company Limited
		Representative of Legal Person Director of Pao-Ching Energy Co., Ltd.
		Chairman of Pau Shi Energy Corp.

Resolution:

Extempore Motions

Meeting Ends

SAKURA DEVELOPMENT CO., LTD

2025 Business Report

I. Implementation of the annual business plan:

The Company's net operating income in 2025 was NT\$14,003,380 thousand, an increase of NT\$4,984,658 thousand from NT\$9,018,722 thousand in 2024. The net profit after tax for 2025 was NT\$4,124,248 thousand, an increase of NT\$1,293,791 thousand from NT\$2,830,457 thousand in 2024. The overall business result is better than that of 2024.

II. Budget implementation:

In accordance with the Regulations Governing the Publication of Financial Forecasts of Public Companies, the Company is not required to make a financial forecast in 2025.

III. Financial status and profitability

1. Financial status

Unit: NT\$1,000

Item	2025 (Parent Company Only)	2024 (Parent Company Only)	2025 (Consolidated)	2024 (Consolidated)
Operating Revenue	14,003,380	9,018,722	14,003,249	9,018,617
Operating costs	8,262,901	4,659,650	8,262,901	4,659,650
Gross operating profit	5,740,479	4,359,072	5,740,348	4,358,967
Operating Expenses	679,370	773,185	686,909	790,834
Operating income	5,061,109	3,585,887	5,053,439	3,568,133
Net income	4,124,248	2,830,457	4,124,248	2,830,457

2. Profitability

Item	2025 (Parent Company Only)	2024 (Parent Company Only)	2025 (Consolidated)	2024 (Consolidated)
ROA (%)	12.90	9.98	12.89	9.97
ROE (%)	25.62	21.71	25.62	21.71
Pre-tax profit to paid-in capital ratio (%)	42.89	36.05	42.89	36.05
Profit ratio (%)	29.45	31.38	29.45	31.38
EPS (NT\$)	3.46	2.37	3.46	2.37

IV. Research and development

1. Land development: Our professional land developers selected targets for development in areas with convenient transportation developmental potentials, such as parks, parkways, waterfronts, school neighborhoods.
2. Planning and design: We adhered to the "people-oriented" spirit in our design and planning according to the characteristics of the areas where projects are proposed, creating for customers functional and beautiful products that incorporate the concept of green building to meet market demand.
3. Construction management: We periodically review construction quality and labor safety facilities to ensure the quality of construction and safety.
4. Customer Service: We uphold the concept of sustainable management, listen to customers' voices and fulfill customer service.

Chairman: Chen, Shin-Ying

Representative: Shen, Shu-Chen

Accounting Officer: Chen, I-Hsuan

SAKURA DEVELOPMENT CO., LTD

Audit Committee's Report

The Company's individual financial statements, business report, and earnings distribution proposal for the year 2025 have been approved by the Audit Committee and passed by the Board of Directors. In particular, the Company's individual financial statements in 2025 have been audited by CPAs Cheng, Chien-Hsien and Tao, Hung-Wen of BDO Taiwan, who have also issued an audit report containing an unqualified opinion.

The Audit Committee is responsible for supervising the Company's financial reporting processes.

The auditors verified the Company's financial statements for 2025 and communicated with the Audit Committee on the following matters:

1. There are currently no major issues found within the scope and period of the matters being audited.
2. The auditors have also provided a statement that the personnel from the accounting firm to which they are affiliated who are regulated by regulations of independence have maintained independence as provided in the Professional Ethics Standards, and they have not found any relations that may affect the auditors' independence and other matters.
3. During the communication between the auditors and the Audit Committee on the key audit items, the following two points were determined as the key audit items that shall be communicated in the audit report:
 - (1) Real estate is a main source of operating income for the Company and the risk of material misstatements lies in the authenticity of revenue recognition. Because operating revenue involves business performance, it is possible that the management failed to follow relevant regulations and performed early or deferred recognition to reach expected net income, which may in turn lead to material misstatements of profit and loss. Therefore, the testing of revenue recognition is one of the key items for assessment in our audit of the Company's consolidated and parent company only financial statements, and is thus included in the key audit items.
 - (2) The inventories of the Company are important assets for its operations, and the amount inventories accounts for 71.17% of the total parent company only assets and 71.27% of the consolidated assets, respectively. Whether the prices and procedures of inventories (lands held for construction sites) comply with relevant laws and regulations will affect the rights and interests of shareholders in consolidated and parent company only financial statements. In addition, inventory valuation is handled in accordance with the International Accounting Standards No. 2. Any improper valuation of net realizable value will lead to misstatements in consolidated and parent

company only financial statements. Therefore, the testing of inventory acquisition and revaluation is an important item for our audit of individual financial statements by the Company and is thus included as a key audit item.

The Company's 2025 financial statements, business reports, and earnings distribution proposals approved by the Audit Committee and passed by the Board of Directors are in compliance with applicable laws and regulations, and are reported in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act as above.

Please review and approve.

Best regards

2026 Annual Shareholders' Meeting of SAKURA DEVELOPMENT CO., LTD

SAKURA DEVELOPMENT CO., LTD

Audit Committee convener: Wang, Kuei-Yuan

March 10, 2026

Remuneration of Directors in 2025

Unit: NT\$1,000

Title	Name	Directors' remuneration								Sum of items A, B, C, and D as a share of net profit after tax (%)		Relevant remuneration received by personnel in concurrent positions								The sum of the 7 items A, B, C, D, E, F, and G as a share of net profit after tax (%)		Has the individual received remuneration from an enterprise receiving
		Compensation (A)		Severance pay and retirement pension (B)		Remuneration of directors (C)		Project implementation expenses (D)				Salary, bonus and allowances (E)		Severance pay and retirement pension (F)		Remuneration of employees (G)						
		The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	The Company		All companies in financial statements		The Company	All companies in financial statements	
																Cash amount	Amount in stock	Cash amount	Amount in stock			
Chairman	Chen, Shin-Ying	11,401	11,401	-	-	17,366	17,366	45	45	0.699	0.699	-	-	-	-	-	-	-	-	0.699	0.699	-
Directors	Ho-Yang Management Consultant Co., Ltd.	-	-	-	-	26,718	26,718	-	-	0.648	0.648	-	-	-	-	-	-	-	-	0.648	0.648	-
	Ho-Yang Management Consultant Co., Ltd. Representative: Chen, Cheng-Gang	-	-	-	-	-	-	35	35	0.001	0.001	-	-	-	-	-	-	-	-	0.001	0.001	-
	Ho-Yang Management Consultant Co., Ltd. Representative: Chiang, Yao-Chun	-	-	-	-	-	-	35	35	0.001	0.001	1,756	1,756	-	-	1,116	=	1,116	=	0.070	0.070	-
Directors	Pair, Shwu-Jeng	-	-	-	-	6,680	6,680	35	35	0.163	0.163	-	-	-	-	-	-	-	-	0.163	0.163	-

Independent Director	Wang, Kuei-Yuan	360	360	-	-	-	-	80	80	0.011	0.011	-	-	-	-	-	-	-	-	0.011	0.011	-
	Hung, Ming-Tsung	360	360	-	-	-	-	60	60	0.010	0.010	-	-	-	-	-	-	-	-	0.010	0.010	-
	Hsu, Chen-Hua	360	360	-	-	-	-	80	80	0.011	0.011	-	-	-	-	-	-	-	-	0.011	0.011	-
1. Please state independent directors' remuneration policy, system, standards, structure, and explain the connection between amount of remuneration and factors such as the duties and risk assumed, and the time requirements on the independent directors: The Company's standards for remuneration of independent directors reflect the time the independent directors dedicate to the Company's operations and the duties and risk they assume, and also take the prevailing levels of remuneration in the industry into consideration. Regardless of whether the Company grants the independent directors a fixed percentage of profits, the independent directors shall not participate in the distribution of remuneration to directors pursuant to Article 28 of the Articles of Incorporation. 2. Apart from the amounts disclosed in the foregoing table, remuneration received by the Company's directors for services provided to all companies in financial statements (when serving as consultants and not as employees) during the most recent year: 0.																						

* The content of remuneration disclosed in the foregoing table has a different income concept than that in the Income Tax Act, which is because the purpose of this table is to disclose information, and not for assessment of taxes.

Related Party Transaction Status

Board's approval date	Transaction counterparty as related party	Contract type	Project name	Actual transaction amount (tax excluded)	Whether the transaction price is calculated according to Board's approval	Whether the total value is under the limit on annual transaction value approved by the Board
2025/01/22	Ying Hsiung Construction Co., Ltd.	Contracted construction contract	Zhongshe Section – Additional project construction work	\$ 17,322,176	Yes	Not applicable.
2025/03/11	Ying Hsiung Construction Co., Ltd.	Contracted construction contract	Hezuo Section - New construction project	\$ 278,468,679	Yes	Not applicable.
	Ying Hsiung Construction Co., Ltd.	Contracted construction contract	Xinronghe Section Phase III - Additional project construction work	\$ 11,274,039	Yes	Not applicable.
2025/05/12	Ying Hsiung Construction Co., Ltd.	Contracted construction contract	Biliu Section - New construction project	\$ 285,714,043	Yes	Not applicable.
	Ying Hsiung Construction Co., Ltd.	Contracted construction contract	Dongbin Section - New construction project	\$ 357,156,734	Yes	Not applicable.

Independent Auditors' Report

To the Board of Directors and Shareholders of Sakura Development Co., Ltd.

Opinions

We have audited the accompanying consolidated financial statements of Sakura Development Co., Ltd. and its subsidiaries (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 a summary of significant accounting policies.

In our opinion, 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 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 of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements 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.

Key audit matters for the Group's consolidated financial statements for the year ended December 31, 2025 are stated as follows:

Revenue recognition

For the accounting policies relating to income recognition, please refer to Note 4(17). For the details of revenue, please refer to Note 6(17).

The main revenue source of the Group is sales of real estate. The risk of material misstatement is the substance of revenue recognition. Revenue is related to operating performance of the management. To achieve expected financial performance, the management might override the internal control procedures to manipulate the timing of revenue recognition, which might lead to significant misstatement of profit and loss. Therefore, revenue recognition is one of the most important issues in performing our audit procedures and has been identified as one of the key audit matters.

Our principal audit procedures including:

- Test the internal control system of sales revenue and accounts receivables collection and to evaluate the effectiveness of preventing error and fraud.
- Perform substantive analytical procedures on revenue to evaluate the correctness of the timing of revenue recognition.
- Perform test of details, selecting samples from real estate sales contracts with customers and related real estate transfer registration documents to assess whether the Group recognizing revenue in accordance with its accounting policies and accounting standards.

Acquisition and valuation of Inventory

For accounting policies relating to acquiring and valuation of inventory, please refer to Note 4(7). For details of inventory, please refer to Note 6(3).

Inventory is a significant asset for operating for the Group, which account for 71.27% of total assets. The legality of acquisition price and procedures of inventory (construction land) might affect the interest of shareholders. Besides, the valuation of inventory shall be in accordance with IAS 2. If the Group values its inventory inappropriately, it might lead to significant misstatement of financial statement. Therefore, the acquisition and valuation of inventory is one of the most important issues in performing our audit procedures and has been identified as one of the key audit matters.

Our principal audit procedures including:

- Review whether the construction lands acquiring and pricing assessment procedures are in accordance with Regulations Governing the Acquisition and Disposal of Assets by Public Companies.
- Review contracts of acquisition of construction lands and check whether payment schedule is in accordance with the contracts.
- Obtain the Group's inventory valuation data. Select samples from the data and check to related real estate sales contracts. We also compare whether there's significant difference between the net realizable value of inventory and nearby area actual transaction information published by Ministry of Interior. For construction lands and construction-in-progress, we also obtain the Group's internal investment return analysis data to compare with current market tendency to assess whether the net realizable value is fairly presented.

Other matter –Parent Company Only Financial Reports

We have also audited the parent company only financial statements of Sakura Development Co., Ltd. as of and for the years ended December 31, 2025 and 2024 which we have issued an unqualified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS, IAS, IFRIC, and 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 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.

Cheng, Chien-Hsien

Tao, Hong-Wen

BDO Taiwan

March 10, 2026

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and its cash flows in accordance with the 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 accepted and applied in the Republic of China.

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

SAKURA DEVELOPMENT CO., LTD AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

Code	Assets	Notes	December 31, 2025		December 31, 2024		Code	Liabilities	Notes	December 31, 2025		December 31, 2024	
			Amount	%	Amount	%				Amount	%	Amount	%
	Current assets							Current liabilities					
1100	Cash and cash equivalents	4. 6(1)	\$5,585,934	17.20	\$1,498,932	4.75	2100	Short-term borrowings	4. 6(10)	\$397,000	1.22	\$274,000	0.87
1150	Notes receivable, net	4. 6(2)	40,301	0.12	55,095	0.18	2110	Short-term notes payable	4. 6(11)	404,259	1.24	284,450	0.90
1170	Accounts receivable, net	4. 6(2)	191,370	0.59	271,243	0.86	2130	Contract liabilities - current	4. 6(17). 7	3,425,229	10.55	4,840,635	15.35
1200	Other receivables		345	-	-	-	2150	Notes payable	4	28,362	0.09	6,287	0.02
1220	Current income tax assets		175	-	56	-	2170	Accounts payable	4	744,659	2.29	1,052,854	3.34
130x	Inventories	4. 6(3). 8	23,148,328	71.27	25,201,930	79.92	2200	Other payables		906,007	2.79	1,100,022	3.49
1410	Prepayments	4. 6(4)	64,377	0.20	83,531	0.27	2220	Other payables from related parties	7	67	-	-	-
1476	Other current financial assets	4. 6(5). 8	2,811,994	8.66	3,602,023	11.42	2230	Current income tax liabilities	4. 6(20)	605,560	1.86	588,798	1.87
1479	Other current assets	4. 6(6)(17)	539,207	1.66	710,395	2.25	2250	Provisions - current		4,834	0.02	3,509	0.01
11xx	Total current assets		<u>32,382,031</u>	<u>99.70</u>	<u>31,423,205</u>	<u>99.65</u>	2280	Lease liabilities – current	4. 6(8)	853	-	996	-
	Non-current assets						2322	Long-term liabilities – current portion	4. 6(12)	5,758,100	17.73	6,540,900	20.74
1600	Property, plant and equipment	4. 6(7)	47,034	0.15	46,759	0.15	2399	Other current liabilities		64,493	0.20	165,264	0.53
1755	Right-of-use assets	4. 6(8)	1,125	-	1,629	0.01	21xx	Total current liabilities		<u>12,339,423</u>	<u>37.99</u>	<u>14,857,715</u>	<u>47.12</u>
1760	Investment property, net	4. 6(9)	23,420	0.07	23,420	0.07		Non-current liabilities					
1780	Intangible assets	4	1,500	-	1,243	-	2540	Long-term borrowings	4. 6(12)	2,230,800	6.87	2,391,750	7.59
1840	Deferred income tax assets	4. 6(20)	488	-	355	-	2580	Lease liabilities – non-current	4. 6(8)	296	-	644	-
1920	Refundable deposits		21,296	0.07	18,372	0.06	25xx	Total non-current liabilities		<u>2,231,096</u>	<u>6.87</u>	<u>2,392,394</u>	<u>7.59</u>
1930	Long-term notes and accounts receivable	4. 6(2)	3,880	0.01	17,984	0.06	2xxx	Total liabilities		<u>14,570,519</u>	<u>44.86</u>	<u>17,250,109</u>	<u>54.71</u>
15xx	Total non-current assets		<u>98,743</u>	<u>0.30</u>	<u>109,762</u>	<u>0.35</u>		Equity					
							3100	Capital stock					
							3110	Common stock	6(14)	11,931,025	36.73	9,942,521	31.53
							3200	Capital surplus	6(15)	95,361	0.29	95,086	0.30
							3300	Retained earnings	6(16)				
							3310	Legal reserve		1,542,164	4.75	1,259,118	3.99
							3350	Unappropriated earnings		4,341,705	13.37	2,986,133	9.47
							31xx	Total equity attributable to owners of the parent company		<u>17,910,255</u>	<u>55.14</u>	<u>14,282,858</u>	<u>45.29</u>
							36xx	Non-controlling interests		-	-	-	-
							3xxx	Total equity		<u>17,910,255</u>	<u>55.14</u>	<u>14,282,858</u>	<u>45.29</u>
1xxx	Total assets		<u>\$32,480,774</u>	<u>100.00</u>	<u>\$31,532,967</u>	<u>100.00</u>		Total liabilities and equity		<u>\$32,480,774</u>	<u>100.00</u>	<u>\$31,532,967</u>	<u>100.00</u>

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

Chairman: Chen, Shin-Ying

President: Shen, Shu-Chen

Accounting Supervisor: Chen, Yi-Syuan

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

SAKURA DEVELOPMENT CO., LTD AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

Code	Item	Notes	2025		2024	
			Amount	%	Amount	%
4000	Operating revenue	4. 6(17). 7	\$14,003,249	100.00	\$9,018,617	100.00
5000	Operating costs	6(13)(19)	(8,262,901)	(59.01)	(4,659,650)	(51.67)
5900	Operating margin		5,740,348	40.99	4,358,967	48.33
	Operating expenses	6(13)(19). 7				
6100	Selling expenses		(505,520)	(3.61)	(624,131)	(6.92)
6200	General and administrative expenses		(181,389)	(1.29)	(166,703)	(1.85)
6000	Total operating expenses		(686,909)	(4.90)	(790,834)	(8.77)
6900	Net operating income		5,053,439	36.09	3,568,133	39.56
	Non-operating income and expenses	6(18)				
7100	Interest income		46,877	0.33	19,521	0.22
7010	Other income		25,094	0.18	2,158	0.02
7020	Other gains and losses, net		(873)	(0.01)	(948)	(0.01)
7050	Finance costs, net		(7,125)	(0.05)	(4,662)	(0.05)
7000	Total non-operating income and expenses		63,973	0.45	16,069	0.18
7900	Profit before income tax		5,117,412	36.54	3,584,202	39.74
7950	Income tax expenses	4. 6(20)	(993,164)	(7.09)	(753,745)	(8.36)
8200	Profit for the period		4,124,248	29.45	2,830,457	31.38
8500	Total comprehensive income for the period		\$4,124,248	29.45	\$2,830,457	31.38
8600	Net income (loss) for the periods attributable to:					
8610	Owners of the parent		\$4,124,248	29.45	\$2,830,457	31.38
			\$4,124,248	29.45	\$2,830,457	31.38
8700	Comprehensive income (losses) for the periods attributable to:					
8710	Owners of the parent		\$4,124,248	29.45	\$2,830,457	31.38
			\$4,124,248	29.45	\$2,830,457	31.38
	Earnings per share (in dollars):	4. 6(21)				
9750	Basic earnings per share		\$3.46		\$2.37	
9850	Diluted earnings per share		\$3.46		\$2.37	

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

Chairman: Chen, Shin-Ying

President: Shen, Shu-Chen

Accounting Supervisor: Chen, Yi-Syuan

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

SAKURA DEVELOPMENT CO., LTD AND SUBSIDIARIES

Consolidated Statements of Changes In Equity

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of the parent						Non-controlling interests	Total Equity
	Capital stock		Retained earnings		Total Equity attributable to owners of the parent			
	Common stock	Capital surplus	Legal reserve	Unappropriated earnings				
Balance at January 1, 2024	\$8,571,139	\$94,820	\$1,067,631	\$2,061,391	\$11,794,981	\$-	\$11,794,981	
Appropriation and distribution of retained earnings:								
Legal reserve	-	-	191,487	(191,487)	-	-	-	
Cash dividends	-	-	-	(342,846)	(342,846)	-	(342,846)	
Stock dividends	1,371,382	-	-	(1,371,382)	-	-	-	
Unclaimed cash dividends transferred to capital surplus	-	266	-	-	266	-	266	
Net income in 2024	-	-	-	2,830,457	2,830,457	-	2,830,457	
Total comprehensive income in 2024	-	-	-	2,830,457	2,830,457	-	2,830,457	
Balance at December 31, 2024	\$9,942,521	\$95,086	\$1,259,118	\$2,986,133	\$14,282,858	\$-	\$14,282,858	
Balance at January 1, 2025	\$9,942,521	\$95,086	\$1,259,118	\$2,986,133	\$14,282,858	\$-	\$14,282,858	
Appropriation and distribution of retained earnings:								
Legal reserve	-	-	283,046	(283,046)	-	-	-	
Cash dividends	-	-	-	(497,126)	(497,126)	-	(497,126)	
Stock dividends	1,988,504	-	-	(1,988,504)	-	-	-	
Unclaimed cash dividends transferred to capital surplus	-	275	-	-	275	-	275	
Net income in 2025	-	-	-	4,124,248	4,124,248	-	4,124,248	
Total comprehensive income in 2025	-	-	-	4,124,248	4,124,248	-	4,124,248	
Balance at December 31, 2025	\$11,931,025	\$95,361	\$1,542,164	\$4,341,705	\$17,910,255	\$-	\$17,910,255	

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

Chairman: Chen, Shin-Ying

President: Shen, Shu-Chen

Accounting Supervisor: Chen, Yi-Syuan

SAKURA DEVELOPMENT CO., LTD AND SUBSIDIARIES**Consolidates Statementd of Cash Flows****For the years ended December 31, 2025 and 2024**

(Expressed in Thousands of New Taiwan Dollars)

Item	2025	2024
Cash flow from operating activities:		
Profit before income tax for the period	\$5,117,412	\$3,584,202
Adjustments for:		
Depreciation expense	4,470	3,847
Amortization expense	702	585
Interest expense	7,125	4,662
Interest income	(46,877)	(19,521)
Subtotal	(34,580)	(10,427)
Change in operating assets and liabilities:		
Change in operating assets		
Decrease (increase) in notes receivable	14,794	(25,832)
Decrease (increase) in accounts receivable	79,873	(240,642)
Decrease (increase) in accounts receivable-related parties	-	6,446
Decrease (increase) in other receivables	(345)	-
Decrease (increase) in inventories(construction-in-progress)	2,311,173	(3,247,261)
Decrease (increase) in prepayments	19,154	10,001
Decrease (increase) in other current financial assets	790,029	(1,671,001)
Decrease (increase) in other current assets	171,188	(175,601)
Decrease (increase) in long-term notes and accounts receivable	14,104	1,792
Total net change in operating assets	3,399,970	(5,342,098)
Change in operating liabilities		
Increase (decrease) in notes payable	22,075	(39,174)
Increase (decrease) in accounts payable	(308,195)	334,153
Increase (decrease) in other payables	(192,745)	266,788
Increase (decrease) in other payables from related parties	67	-
Increase (decrease) in provisions	1,325	1,953
Increase (decrease) in contract liabilities	(1,415,406)	2,507,661
Increase (decrease) in other current liabilities	(100,771)	135,185
Total net change in operating liabilities	(1,993,650)	3,206,566
Total net change in operating assets and liabilities	1,406,320	(2,135,532)
Total adjustments	1,371,740	(2,145,959)
Cash generated from operating activities	6,489,152	1,438,243
Interests received	46,877	19,521
Interests paid (including interest capitalization)	(265,924)	(285,690)
Income tax return (paid)	(976,654)	(721,045)
Net cash provided by (used in) operating activities	5,293,451	451,029
Cash flow from investing activities:		
Acquisition of property, plant and equipment	(4,241)	(1,250)
Acquisition of intangible assets	(959)	(1,240)
Decrease (increase) in refundable deposits	(2,924)	2,896
Net cash provided by (used in) investing activities	(8,124)	406
Cash flow from financing activities:		
Increase in short-term borrowings	397,000	274,000
Decrease in short-term borrowings	(274,000)	(117,000)
Increase in short-term notes payables	119,809	236,499
Decrease in short-term notes payables	-	(114,897)
Increase in long-term borrowings	1,487,750	3,929,500
Repayment of long-term borrowings	(2,431,500)	(3,682,255)
Payment of lease liabilities	(533)	(280)
Increase (decrease) in deposits received	-	(2,280)
Cash dividends paid	(497,126)	(342,846)
Unclaimed cash dividends transferred to capital surplus	275	266
Net cash provided by (used in) financing activities	(1,198,325)	180,707
Net increase (decrease) in cash and cash equivalents	4,087,002	632,142
Cash and cash equivalents at the beginning of the year	1,498,932	866,790
Cash and cash equivalents at the end of the year	\$5,585,934	\$1,498,932

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

Chairman: Chen, Shin-Ying

President: Shen, Shu-Chen

Accounting Supervisor: Chen, Yi-Syuan

Independent Auditors' Report

To the Board of Directors and Shareholders of Sakura Development Co., Ltd:

Opinions

We have audited the accompanying parent company only financial statements of Sakura Development Co., Ltd ("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 a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements referred to above present fairly, in all material respects, the accompanying 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 of 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of 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.

Key audit matters for the Company's parent company only financial statements for the year ended December 31, 2025 are stated as follows:

Revenue recognition

For the accounting policies relating to income recognition, please refer to Note 4(17). For the details

of revenue, please refer to Note 6(18).

The main revenue source of the Company is sales of real estate. The risk of material misstatement is the substance of revenue recognition. Revenue is related to operating performance of the management. To achieve expected financial performance, the management might override the internal control procedures to manipulate the timing of revenue recognition, which might lead to significant misstatement of profit and loss. Therefore, revenue recognition is one of the most important issues in performing our audit procedures and has been identified as one of the key audit matters.

Our principal audit procedures including:

- Test the internal control system of sales revenue and accounts receivables collection and to evaluate the effectiveness of preventing error and fraud.
- Perform substantive analytical procedures on revenue to evaluate the correctness of the timing of revenue recognition.
- Perform test of details, selecting samples from real estate sales contracts with customers and related real estate transfer registration documents to assess whether the Company recognizing revenue in accordance with its accounting policies and accounting standards.

Acquisition and valuation of Inventory

For accounting policies relating to acquiring and valuation of inventory, please refer to Note 4(6). For details of inventory, please refer to Note 6(3).

Inventory is a significant asset for operating for the Company, which account for 71.17% of total assets. The legality of acquisition price and procedures of inventory (construction land) might affect the interest of shareholders. Besides, the valuation of inventory shall be in accordance with IAS 2. If the Company values its inventory inappropriately, it might lead to significant misstatement of financial statement. Therefore, the acquisition and valuation of inventory is one of the most important issues in performing our audit procedures and has been identified as one of the key audit matters.

Our principal audit procedures including:

- Review whether the construction lands acquiring and pricing assessment procedures are in accordance with Regulations Governing the Acquisition and Disposal of Assets by Public Companies.
- Review contracts of acquisition of construction lands and check whether payment schedule is in accordance with the contracts.
- Obtain the Company's inventory valuation data. Select samples from the data and check to related real estate sales contracts. We also compare whether there's significant difference between the net realizable value of inventory and nearby area actual transaction information published by Ministry of Interior. For construction lands and construction-in-progress, we also obtain the Company's internal investment return analysis data to compare with current market tendency to assess whether the net realizable value is fairly presented.

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 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:

7. 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.
8. 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.
9. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
10. 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.
11. 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.

12. Obtain sufficient and appropriate audit evidence regarding the financial information of the 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 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 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.

Cheng, Chien-Hsien

Tao, Hong-Wen

BDO Taiwan

March 10, 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 its cash flows in accordance with the 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 financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and financial statements, the Chinese version shall prevail.

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)

SAKURA DEVELOPMENT CO., LTD

Parent Company Only Balance Sheets

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

Code	Assets	Notes	December 31, 2025		December 31, 2024		Code	Liabilities	Notes	December 31, 2025		December 31, 2024	
			Amount	%	Amount	%				Amount	%	Amount	%
	Current assets							Current liabilities					
1100	Cash and cash equivalents	4. 6(1)	\$5,317,756	16.39	\$1,314,815	4.17	2100	Short-term borrowings	4. 6(11)	\$397,000	1.22	\$274,000	0.87
1150	Notes receivable, net	4. 6(2)	40,301	0.13	55,095	0.18	2110	Short-term notes payable	4. 6(12)	404,259	1.25	284,450	0.90
1170	Accounts receivable, net	4. 6(2)	191,370	0.59	271,243	0.86	2130	Contract liabilities - current	4. 6(18). 7	3,425,229	10.56	4,840,635	15.36
1200	Other receivables		345	-	-	-	2150	Notes payable	4	28,362	0.09	6,287	0.02
130x	Inventories	4. 6(3). 8	23,086,425	71.17	25,165,675	79.86	2170	Accounts payable	4	708,964	2.18	1,031,920	3.28
1410	Prepayments	4. 6(4)	62,969	0.19	81,981	0.26	2180	Accounts payable from related parties	4. 7	35,542	0.11	16,316	0.05
1476	Other current financial assets	4. 6(5). 8	2,811,994	8.67	3,602,023	11.43	2200	Other payables		866,453	2.67	1,085,533	3.45
1479	Other current assets	4. 6(6)(18)	536,040	1.65	710,390	2.25	2220	Other payables from related parties	7	67	-	-	-
11xx	Total current assets		<u>32,047,200</u>	<u>98.79</u>	<u>31,201,222</u>	<u>99.01</u>	2230	Current income tax liabilities	4. 6(21)	605,560	1.87	588,798	1.87
	Non-current assets						2250	Provisions - current	4	4,834	0.01	3,509	0.01
1550	Investments accounted for using equity method	4. 6(7)	296,039	0.91	202,824	0.64	2280	Lease liabilities – current	4. 6(9)	853	-	996	-
1600	Property, plant and equipment	4. 6(8)	46,364	0.14	46,521	0.15	2322	Long-term liabilities – current portion	4. 6(13)	5,758,100	17.75	6,540,900	20.76
1755	Right-of-use assets	4. 6(9)	1,125	0.01	1,629	0.01	2399	Other current liabilities	7	64,299	0.20	164,829	0.52
1760	Investment property, net	4. 6(10)	23,420	0.07	23,420	0.07	21xx	Total current liabilities		<u>12,299,522</u>	<u>37.91</u>	<u>14,838,173</u>	<u>47.09</u>
1780	Intangible assets	4	1,071	-	1,098	-		Non-current liabilities					
1840	Deferred income tax assets	4. 6(21)	488	-	355	-	2540	Long-term borrowings	4. 6(13)	2,230,800	6.88	2,391,750	7.59
1920	Refundable deposits		21,286	0.07	18,372	0.06	2580	Lease liabilities – non-current	4. 6(9)	296	-	644	-
1930	Long-term notes and accounts receivable	4. 6(2)	3,880	0.01	17,984	0.06	25xx	Total non-current liabilities		<u>2,231,096</u>	<u>6.88</u>	<u>2,392,394</u>	<u>7.59</u>
15xx	Total non-current assets		<u>393,673</u>	<u>1.21</u>	<u>312,203</u>	<u>0.99</u>	2xxx	Total liabilities		<u>14,530,618</u>	<u>44.79</u>	<u>17,230,567</u>	<u>54.68</u>
								Equity					
							3100	Capital stock					
							3110	Common stock	6(15)	11,931,025	36.78	9,942,521	31.55
							3200	Capital surplus	6(16)	95,361	0.30	95,086	0.30
							3300	Retained earnings	6(17)				
							3310	Legal reserve		1,542,164	4.75	1,259,118	3.99
							3350	Unappropriated earnings		4,341,705	13.38	2,986,133	9.48
							3xxx	Total equity		<u>17,910,255</u>	<u>55.21</u>	<u>14,282,858</u>	<u>45.32</u>
1xxx	Total assets		<u>\$32,440,873</u>	<u>100.00</u>	<u>\$31,513,425</u>	<u>100.00</u>		Total liabilities and equity		<u>\$32,440,873</u>	<u>100.00</u>	<u>\$31,513,425</u>	<u>100.00</u>

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

Chairman: Chen, Shin-Ying

President: Shen, Shu-Chen

Accounting Supervisor: Chen, Yi-Syuan

SAKURA DEVELOPMENT CO., LTD**Parent Company Only Statements of Comprehensive Income****For the years ended December 31, 2025 and 2024**

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

Code	Item	Notes	2025		2024	
			Amount	%	Amount	%
4000	Operating revenue	4. 6(18). 7	\$14,003,380	100.00	\$9,018,722	100.00
5000	Operating costs	6(14)(20)	(8,262,901)	(59.01)	(4,659,650)	(51.67)
5900	Operating margin		5,740,479	40.99	4,359,072	48.33
	Operating expenses	6(14)(20). 7				
6100	Selling expenses		(505,520)	(3.61)	(624,131)	(6.92)
6200	General and administrative expenses		(173,850)	(1.24)	(149,054)	(1.65)
6000	Total operating expenses		(679,370)	(4.85)	(773,185)	(8.57)
6900	Net operating income		5,061,109	36.14	3,585,887	39.76
	Non-operating income and expenses					
7100	Interest income	6(19)	45,681	0.32	18,943	0.21
7010	Other income	6(19)	25,094	0.18	2,158	0.02
7020	Other gains and losses, net	6(19)	(562)	-	(948)	(0.01)
7050	Finance costs, net	6(19)	(7,125)	(0.05)	(4,662)	(0.05)
7070	Share of profit or loss of subsidiaries and associates accounted for using equity method	4. 6(7)	(6,785)	(0.05)	(17,176)	(0.19)
7000	Total non-operating income and expenses		56,303	0.40	(1,685)	(0.02)
7900	Profit before income tax		5,117,412	36.54	3,584,202	39.74
7950	Income tax expenses	4. 6(21)	(993,164)	(7.09)	(753,745)	(8.36)
8200	Profit for the period		4,124,248	29.45	2,830,457	31.38
8500	Total comprehensive income for the period		\$4,124,248	29.45	\$2,830,457	31.38
	Earnings per share (in dollars):	4. 6(22)				
9750	Basic earnings per share		\$3.46		\$2.37	
9850	Diluted earnings per share		\$3.46		\$2.37	

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

Chairman: Chen, Shin-Ying

President: Shen, Shu-Chen

Accounting Supervisor: Chen, Yi-Syuan

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)

SAKURA DEVELOPMENT CO., LTD

Parent Company Only Statements of Changes In Equity

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

			Retained earnings		
	Common stock	Capital surplus	Legal reserve	Unappropriated earnings	Total equity
Balance at January 1, 2024	\$8,571,139	\$94,820	\$1,067,631	\$2,061,391	\$11,794,981
Appropriation and distribution of retained earnings:					
Legal reserve	-	-	191,487	(191,487)	-
Cash dividends	-	-	-	(342,846)	(342,846)
Stock dividends	1,371,382	-	-	(1,371,382)	-
Unclaimed cash dividends transferred to capital surplus	-	266	-	-	266
Net income in 2024	-	-	-	2,830,457	2,830,457
Total comprehensive income in 2024	-	-	-	2,830,457	2,830,457
Balance at December 31, 2024	<u>\$9,942,521</u>	<u>\$95,086</u>	<u>\$1,259,118</u>	<u>\$2,986,133</u>	<u>\$14,282,858</u>
Balance at January 1, 2025	\$9,942,521	\$95,086	\$1,259,118	\$2,986,133	\$14,282,858
Appropriation and distribution of retained earnings:					
Legal reserve	-	-	283,046	(283,046)	-
Cash dividends	-	-	-	(497,126)	(497,126)
Stock dividends	1,988,504	-	-	(1,988,504)	-
Unclaimed cash dividends transferred to capital surplus	-	275	-	-	275
Net income in 2025	-	-	-	4,124,248	4,124,248
Total comprehensive income in 2025	-	-	-	4,124,248	4,124,248
Balance at December 31, 2025	<u>\$11,931,025</u>	<u>\$95,361</u>	<u>\$1,542,164</u>	<u>\$4,341,705</u>	<u>\$17,910,255</u>

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

Chairman: Chen, Shin-Ying

President: Shen, Shu-Chen

Accounting Supervisor: Chen, Yi-Syuan

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)

SAKURA DEVELOPMENT CO., LTD

Parent Company Only Statements of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

Item	2025	2024
Cash flow from operating activities:		
Profit before income tax for the period	\$5,117,412	\$3,584,202
Adjustments for:		
Depreciation expense	4,263	3,796
Amortization expense	564	562
Interest expense	7,125	4,662
Interest income	(45,681)	(18,943)
Share of profit or loss of subsidiaries and associates accounted for using the equity method	6,785	17,176
Subtotal	(26,944)	7,253
Change in operating assets and liabilities:		
Change in operating assets		
Decrease (increase) in notes receivable	14,794	(25,832)
Decrease (increase) in accounts receivable	79,873	(240,642)
Decrease (increase) in accounts receivable-related parties	-	6,446
Decrease (increase) in other receivables	(345)	-
Decrease (increase) in inventories(construction-in-progress)	2,336,821	(3,211,006)
Decrease (increase) in prepayments	19,012	11,551
Decrease (increase) in other current financial assets	790,029	(1,671,001)
Decrease (increase) in other current assets	174,350	(175,596)
Decrease (increase) in long-term notes and accounts receivable	14,104	1,792
Total net change in operating assets	3,428,638	(5,304,288)
Change in operating liabilities		
Increase (decrease) in notes payable	22,075	(39,174)
Increase (decrease) in accounts payable	(322,956)	313,219
Increase (decrease) in accounts payable from related parties	19,226	16,316
Increase (decrease) in other payables	(217,810)	252,299
Increase (decrease) in other payables from related parties	67	-
Increase (decrease) in provisions	1,325	1,953
Increase (decrease) in contract liabilities	(1,415,406)	2,507,661
Increase (decrease) in other current liabilities	(100,530)	134,750
Total net change in operating liabilities	(2,014,009)	3,187,024
Total net change in operating assets and liabilities	1,414,629	(2,117,264)
Total adjustments	1,387,685	(2,110,011)
Cash generated from operating activities	6,505,097	1,474,191
Interests received	45,681	18,943
Interests paid (including interest capitalization)	(265,924)	(285,690)
Income tax return (paid)	(976,535)	(720,989)
Net cash provided by (used in) operating activities	5,308,319	486,455
Cash flow from investing activities:		
Acquisition of investments accounted for using equity method	(100,000)	(220,000)
Acquisition of property, plant and equipment	(3,602)	(961)
Acquisition of intangible assets	(537)	(1,072)
Decrease (increase) in refundable deposits	(2,914)	2,896
Net cash provided by (used in) investing activities	(107,053)	(219,137)
Cash flow from financing activities:		
Increase in short-term borrowings	397,000	274,000
Decrease in short-term borrowings	(274,000)	(117,000)
Increase in short-term notes payables	119,809	236,499
Decrease in short-term notes payables	-	(114,897)
Increase in long-term borrowings	1,487,750	3,929,500
Repayment of long-term borrowings	(2,431,500)	(3,682,255)
Payment of lease liabilities	(533)	(280)
Increase (decrease) in deposits received	-	(2,280)
Cash dividends paid	(497,126)	(342,846)
Unclaimed cash dividends transferred to capital surplus	275	266
Net cash provided by (used in) financing activities	(1,198,325)	180,707
Net increase (decrease) in cash and cash equivalents	4,002,941	448,025
Cash and cash equivalents at the beginning of the year	1,314,815	866,790
Cash and cash equivalents at the end of the year	\$5,317,756	\$1,314,815

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

Chairman: Chen, Shin-Ying

President: Shen, Shu-Chen

Accounting Supervisor: Chen, Yi-Syuan

SAKURA DEVELOPMENT CO., LTD
Earnings Distribution Statement
2025

Unit: NT\$

Opening undistributed earnings		217,457,016
Add: after-tax net profit of the current period		4,124,248,741
Subtract: provision for legal reserve (10%)		(412,424,874)
Distributable earnings		3,929,280,883
Items for distribution:		
Dividends to shareholders: stock (NT\$ 2.2 per share)	(2,624,825,680)	
Dividends to shareholders: cash (NT\$ 0.6 per share)	(715,861,549)	(3,340,687,229)
Closing undistributed earnings		588,593,654

Note: The current cash dividends are rounded down to the nearest NTD based on the distribution ratio, and the total of fractional amounts that are less than NT\$1 has been counted towards the Company's other income.

Chairman: Chen, Shin-Ying Representative: Shen, Shu-Chen Accounting Officer: Chen, I-Hsuan

SAKURA DEVELOPMENT CO., LTD

Table of Comparison of the Revised Articles of Incorporation

Amended articles	Existing articles	Explanation
Article 1: The Company is organized in accordance with the provisions about companies limited by shares under the Company Act. The Company's name shall be "櫻花建設股份有限公司", and the English name shall be "SAKURA DEVELOPMENT CO., LTD.".	Article 1: The Company was organized in accordance with the Company Act, and was named SAKURA DEVELOPMENT CO., LTD.	Revised wording.
Article 5-1: (Deleted)	Article 5-1: Deleted.	Amended the punctuation in the article.
<u>Article 7-1:</u> <u>The Company may repurchase its issued shares on the centralized securities exchange market in accordance with Article 10-1 of the Regulations Governing the Repurchase of Shares by Listed Companies. With the attendance of shareholders representing a majority of the outstanding shares, a transfer to employees may be made at a price lower than the average repurchase price if approved by two-thirds or more of the voting rights of the attending shareholders.</u> <u>The Company's repurchased shares may be transferred to employees of its controlling or subordinate companies who meet certain requirements according to the law.</u>		This article is newly added.
Article 8: (Deleted)	Article 8: Deleted.	Amended the punctuation in the article.
Article 11 Any shareholder, who for any reason is unable to attend shareholders' meetings, may execute a proxy printed by the Company, in which the authorized matters shall be expressly stated, to authorize a proxy to attend the meeting for him/her, in accordance	Article 11: Any shareholder, who for any reason is unable to attend shareholders' meetings, may execute a proxy printed by the Company, in which the authorized matters shall be expressly stated, to authorize a proxy to attend the meeting for him/her, in	Amended the text and punctuation in the article.

with Article 177 of the Company Act. <u>The regulations for authorizing proxies to attend meetings on behalf of shareholders</u> shall comply with the regulations of the Company Act and shall also be handled accordingly to the “Regulations Governing the Administration of Shareholder Services of Public Companies” announced by the competent authority.	accordance with Article 177 of the Company Act. Unless otherwise specified by the Company Act, proxy attendance shall be conducted in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies promulgated by the competent authority.	
<u>Chapter 4 Directors and Audit Committee</u>	Chapter 4. Directors	Amended the chapter title.
Article 20: The Company's operational directions and important matters shall be determined by the Board of Directors. Except when called for the first meeting of each board of directors in accordance with Article 203 of the Company Act, board meetings shall be called by the Chairman. In case the Chairman is on leave or can not exercise his power and authority for any cause, a delegate shall be designated to act on the Chairman's behalf in accordance with Article 208 of the Company Act.	Article 20: The Company's operational directions and important matters shall be determined by the Board of Directors. Except when called for the first meeting of each board of directors in accordance with Article 203 of the Company Act, board meetings shall be called by the Chairman. In case the Chairman is on leave or can not exercise his power and authority for any cause, a delegate shall be designated to act on the Chairman's behalf in accordance with Article 208 of the Company Act.	Amended the article number.
Article 21: Unless otherwise provided for under the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. A director who appoints another director to attend a board meeting shall, in each instance, issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting. Each proxy may only represent one absent director. If a board meeting is conducted in the form of video conference, the attendance of a director by video conference will be deemed as attendance in person.	Article 21: Unless otherwise provided for under the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. A director who appoints another director to attend a board meeting shall, in each instance, issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting. Each proxy may only represent one absent director. If a board meeting is conducted in the form of video conference, the attendance of a director by video conference will be deemed as attendance in person.	Amended the article number.
Article 21-1: The reasons for calling a board	Article 21-1 : The reasons for calling a board	Amended the article number.

meeting shall be notified to each director and supervisor at least seven days in advance. In emergency circumstances, however, a meeting may be called on shorter notice. The notice set forth in the preceding paragraph may be effected by means of electronic transmission, after obtaining prior consent from the recipients thereof.	meeting shall be notified to each director and supervisor at least seven days in advance. In emergency circumstances, however, a meeting may be called on shorter notice. The notice set forth in the preceding paragraph may be effected by means of electronic transmission, after obtaining prior consent from the recipients thereof.	
Article 22: The proceedings of a Board meeting shall be compiled into meeting minutes, which shall be signed and sealed by the Chairperson and then distributed to each director no later than 20 days after the meeting. The minutes of a shareholders' meeting shall record the date and place of the meeting, the name of the Chairperson, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. The minutes, along with the attendance logs of the directors and powers of attorney of proxies, shall be kept persistently throughout the life of the Company.	Article 22: The proceedings of a Board meeting shall be compiled into meeting minutes, which shall be signed and sealed by the Chairperson and then distributed to each director no later than 20 days after the meeting. The minutes of a shareholders' meeting shall record the date and place of the meeting, the name of the Chairperson, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. The minutes, along with the attendance logs of the directors and powers of attorney of proxies, shall be kept persistently throughout the life of the Company.	Amended the article number.
Article 23: (Deleted)	Article 23: Deleted.	Amended the article number and punctuation in the article.
Article 23-1: The Board of Directors is authorized to determine the remuneration for directors based on the degree of individual directors' participation in the Company's operation and the value of the contributions each has made to the Company, with reference to the ordinary standards of industry competitors.	Article 23-1: The Board of Directors is authorized to determine the remuneration for directors based on the degree of individual directors' participation in the Company's operation and the value of the contributions each has made to the Company, with reference to the ordinary standards of industry competitors.	Amended the article number.
Article 23-2: (Deleted)	Article 23-2: Deleted.	Amended the article number and punctuation in the article.
Article 24: The Company may have managerial	Article 24: The Company may have managerial	Amended the article number.

personnel, whose appointment, dismissal and remuneration shall be handled in accordance with Article 29 of the Company Act.	personnel, whose appointment, dismissal and remuneration shall be handled in accordance with Article 29 of the Company Act.	
Article 25: The Company may employ consultants and important staff as resolved by the Board of Directors.	Article 25: The Company may employ consultants and important staff as resolved by the Board of Directors.	Amended the article number.
Article 26: (Deleted)	Article 26: Deleted.	Amended the article number and punctuation in the article.
Chapter 6 <u>Accounting</u>	Chapter 6. Final Accounts	Amended the chapter title.
Article 27: In the Company's final accounts at the end of each fiscal year, the Board of Directors shall prepare the following documents and submit them to the Shareholders' Meeting for ratification. (I) a business report; (II) financial statements; and (III) proposals of earnings distribution or loss replenishment.	Article 27: In the Company's final accounts at the end of each fiscal year, the Board of Directors shall prepare the following documents and submit them to the Shareholders' Meeting for ratification. (I) a business report; (II) financial statements; and (III) proposals of earnings distribution or loss replenishment.	Amended the article number.
Article 28: If the Company makes a profit in a year, it shall allocate no less than 0.5% of the profit as the remuneration of employees and no more than 2% of the profit as the remuneration of directors, and among which the remuneration of entry-level employees distributed shall not be less than 10% of the amount of the remuneration of employees. However, if the Company has accumulated losses, the Company shall set aside a part of the surplus profit first for making up the losses. <u>The employees' remuneration described in the preceding paragraph may include the eligible employees of a subordinate company satisfying certain criteria, and the board of directors is authorized to determine the criteria and the distribution method.</u> <u>Paragraph 1</u> The determination of the distribution ratio of the remunerations of employees and directors as well as	Article 28: If the Company makes a profit in a year, it shall allocate no less than 0.5% of the profit as the remuneration of employees and no more than 2% of the profit as the remuneration of directors, and among which the remuneration of entry-level employees distributed shall not be less than 10% of the amount of the remuneration of employees. However, if the Company has accumulated losses, the Company shall set aside a part of the surplus profit first for making up the losses. The determination of the distribution ratios for employee compensation and director remuneration, and whether employees' compensation shall be distributed in the form of shares or cash, shall be resolved by the majority of the directors at a board meeting at which over two-thirds of the directors are present and reported	I. Newly added the provision of Paragraph 2. III. Moved the current posterior section of Paragraph 1 of Article 28 to Paragraph 3.

the determination of the distribution of remuneration of employees in the form of shares or cash shall be executed in accordance with the resolution of a board of directors' meeting attended by more than two-thirds of all directors and the consents of a majority of the attending directors. In addition, report to the shareholders' meeting shall also be made.	to the shareholders' meeting.	
Article 28-1: In the event of profit after closing of annual accounts, the Company shall, as provided by law, pay for the taxes, offset losses sustained in previous years, allocate ten percent as the legal earnings reserve, and provide or reverse special reserve based on the balance. Any residual balance is then added to undistributed earnings carried from previous years and distributed as dividends, subject to Board of Directors' proposal and resolution in a shareholders' meeting. The Company belongs to a capital intensive industry and has major investment and financial improvement plans in the coming years, making it difficult to discern clear-cut stages of its growth. For this reason, when the Company distributes its annual earnings, it will distribute cash dividends of at least ten percent; however, if the cash dividend per share is lower than NT\$0.1, it may distribute stock dividends instead.	Article 28-1: In the event of profit after closing of annual accounts, the Company shall, as provided by law, pay for the taxes, offset losses sustained in previous years, allocate ten percent as the legal earnings reserve, and provide or reverse special reserve based on the balance. Any residual balance is then added to undistributed earnings carried from previous years and distributed as dividends, subject to Board of Directors' proposal and resolution in a shareholders' meeting. The Company belongs to a capital intensive industry and has major investment and financial improvement plans in the coming years, making it difficult to discern clear-cut stages of its growth. For this reason, when the Company distributes its annual earnings, it will distribute cash dividends of at least ten percent; however, if the cash dividend per share is lower than NT\$0.1, it may distribute stock dividends instead.	Amended the article number.
Article 29: (Deleted)	Article 29: Deleted.	Amended the article number and punctuation in the article.
Article 30: The Company may invest in other businesses according to its business needs and is not subject to the forty percent restriction specified in Article 13 of the Company Act in relation to the percentage of total investment	Article 30: The Company may invest in other businesses according to its business needs and is not subject to the forty percent restriction specified in Article 13 of the Company Act in relation to the percentage of total	Amended the article number.

amount that can be made with a Company's paid-up capital.	investment amount that can be made with a Company's paid-up capital.	
Article 31: The constitutive rules and the operation rules of the Company shall be stipulated separately by the Board of Directors.	Article 31: The constitutive rules and the operation rules of the Company shall be stipulated separately by the Board of Directors.	Amended the article number.
Article 32: Matters not provided herein shall be subject to the provisions of the Company Act and other applicable laws and regulations.	Article 32: Matters not provided herein shall be subject to the provisions of the Company Act and other applicable laws and regulations.	Amended the article number.
Article 33: These Articles of Incorporation were established on March 26, 1987. The first amendment was made on May 8, 1990. The second amendment was made on June 8, 1992. The third amendment was made on January 22, 1994. The fourth amendment was made on September 1, 1994. The fifth amendment was made on July 29, 1995. The sixth amendment was made on April 30, 1996. The seventh amendment was made on April 29, 1997. The eighth amendment was made on March 17, 1998. The ninth amendment was made on June 22, 2000. The tenth amendment was made on June 27, 2002. The eleventh amendment was made on June 30, 2003. The twelfth amendment was made on June 30, 2003. The thirteenth amendment was made on June 16, 2004. The fourteenth amendment was made on June 27, 2005. The fifteenth amendment was made on June 9, 2006. The sixteenth amendment was made on June 28, 2007. The seventeenth amendment was made on June 22, 2010. The eighteenth amendment was made on June 20, 2012. The nineteenth amendment was made on June 20, 2014. The twentieth amendment was made on June 17, 2016. The twentieth-first amendment was made on June 16, 2017. The twentieth-second amendment was made on June 6, 2019. The twentieth-third amendment was made on June 10, 2020. The twentieth-fourth amendment was made on July 13, 2021. The twentieth-fifth amendment was made on June	Article 33: These Articles of Incorporation were established on March 26, 1987. The first amendment was made on May 8, 1990. The second amendment was made on June 8, 1992. The third amendment was made on January 22, 1994. The fourth amendment was made on September 1, 1994. The fifth amendment was made on July 29, 1995. The sixth amendment was made on April 30, 1996. The seventh amendment was made on April 29, 1997. The eighth amendment was made on March 17, 1998. The ninth amendment was made on June 22, 2000. The tenth amendment was made on June 27, 2002. The eleventh amendment was made on June 30, 2003. The twelfth amendment was made on June 30, 2003. The thirteenth amendment was made on June 16, 2004. The fourteenth amendment was made on June 27, 2005. The fifteenth amendment was made on June 9, 2006. The sixteenth amendment was made on June 28, 2007. The seventeenth amendment was made on June 22, 2010. The eighteenth amendment was made on June 20, 2012. The nineteenth amendment was made on June 20, 2014. The twentieth amendment was made on June 17, 2016. The twentieth-first amendment was made on June 16, 2017. The twentieth-second amendment was made on June 6, 2019. The twentieth-third amendment was made on	Amended the article number.

16, 2022. The twenty-sixth amendment was made on June 14, 2024. The twenty-seventh amendment was made on June 20, 2025. <u>The twenty-eighth amendment was made on June 16, 2026.</u> (To be approved by the shareholders' meeting)	June 10, 2020. The twentieth-fourth amendment was made on July 13, 2021. The twentieth-fifth amendment was made on June 16, 2022. The twenty-sixth amendment was made on June 14, 2024. The twenty-seventh amendment was made on June 20, 2025.	
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Articles of Incorporation of SAKURA DEVELOPMENT CO., LTD (before Amendment)

Chapter 1. General Principles

- Article 1: The Company was organized in accordance with the Company Act, and was named SAKURA DEVELOPMENT CO., LTD.
- Article 2: The Company is engaged in the following businesses:
- (I) F111090 wholesale of building materials.
 - (II) F113010 wholesale of machinery.
 - (III) H701010 Residence and building development and leasing.
 - (IV) H701020 industrial plant development and leasing.
 - (V) H701030 Funeral facility development and leasing.
 - (VI) H701040 Specialized field construction and development
 - (VII) H701050 Public Works Construction and Investment
 - (VIII) H701060 New County and Community Construction and Investment
 - (IX) H701070 Land Levy and Delimit
 - (X) H701080 Urban Renewal Reconstruction.
 - (XI) H702010 Construction management
 - (XII) H703090 Real Estate Commerce
 - (XIII) H703100 Real Estate Rental and Leasing
 - (XIV) I102010 Investment Consulting
 - (XV) I503010 landscape and interior designing.
 - (XVI) F401010 International Trade
 - (XVII) ZZ99999 All business items that are not prohibited or restricted by law, except those subject to special approval.
- Article 3: The Company's headquarters is located in Taichung City, and may set up domestic or foreign branch offices as resolved by the Board of Directors, if necessary.
- Article 4: Public announcements from the Company are conducted in accordance with Article 28 of the Company Act.
- Article 4-1: The Company may provide external guarantees according to its business needs in accordance with its Regulations Governing Endorsement and Guarantee.

Chapter 2. Shares

- Article 5: The Company's total capital is set at NT\$16 billion, divided into 1.6 billion shares at NT\$10 per share. The Board of Directors is authorized to issue the shares in installments.
- Article 5-1: Deleted.
- Article 6: The Company's shares shall be registered, affixed with the signature or seal of the director representing the Company, and legally authenticated by the bank

issuing share certificates prior to issuance.

The Company is not required to print share certificates. Nevertheless, it shall register the issued shares with a centralized securities depository enterprise and follow the regulations of that enterprise.

Article 7: All stock-related matters implemented by the Company's shareholders shall be governed by the “Regulations Governing the Administration of Shareholder Services of Public Companies” promulgated by the competent authority of securities management and other relevant laws.

Article 8: Deleted.

Article 9: The entries in the shareholders' roster shall not be altered within 60 days prior to the convening date of a regular shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting, or within 5 days prior to the target date fixed by the issuing company for distribution of dividends, bonus or other benefits.

Chapter 3. Shareholders' Meeting

Article 10: Shareholders' meetings include annual shareholders' meetings and extraordinary meetings. Annual shareholders' meetings shall be convened within six months after the end of each fiscal year and notified to the shareholders thirty days before taking place. Extraordinary meetings will be held according to the law whenever necessary and shall be notified to the shareholders fifteen days before taking place.

The aforementioned notification shall specify the date, venue, and reason(s) of such meeting either in written or electronic form to the shareholders, or alternatively via public announcement to shareholders holding fewer than 1,000 shares.

The shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.

Article 11: Any shareholder, who for any reason is unable to attend shareholders' meetings, may execute a proxy printed by the Company, in which the authorized matters shall be expressly stated, to authorize a proxy to attend the meeting for him/her, in accordance with Article 177 of the Company Act. Unless otherwise specified by the Company Act, proxy attendance shall be conducted in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies promulgated by the competent authority.

Article 12: If a shareholders' meeting is convened by the board of directors, the Chairperson of the meeting shall be the chairman of the board of directors. In case the or an executive director is on leave or unable to exercise his/her functional duties for any reason, a shareholder shall be designated to act in his/her behalf; and if no representative is so designated, the representative shall be elected by the shareholders from among themselves.

For shareholders' meetings convened by any authorized party other than the

Board of Directors, the convener will act as the chair of the meeting. If there are two or more conveners at the same time, one shall be appointed from among them to chair the meeting.

Article 13: Each share is entitled to one voting right, except for shares where voting rights are restricted as described in the Company Act.

Article 14: Unless otherwise required by the Company Act, shareholders' resolutions shall be adopted by at least a majority of the votes of shareholders present at a shareholders' meeting who hold a majority of all issued and outstanding shares of the Company. In addition, voting rights are exercised in writing or through electronic means in accordance with relevant laws and regulations.

Article 15: Resolutions of a shareholders' meeting shall be compiled into detailed minutes, and signed or sealed by the Chairperson, then disseminated to each shareholder no later than 20 days after the meeting. The meeting minutes shall be prepared and distributed in accordance with Article 183 of the Company Act.

Chapter 4. Directors

Article 16: The Company has five to nine directors, who shall be elected in a shareholders' meeting from a list of nominees with disposing capacity to serve a term of three years and may be eligible for re-election.

The number of directors stated in the preceding paragraph shall include at least three independent directors. All matters regarding the eligibility for independent directors will be handled in accordance with applicable laws and regulations.

In accordance with the Securities and Exchange Act, the Company establishes an Audit Committee which is composed of all the independent directors. The Audit Committee's composition, functional duties, rules of procedure for meetings, and other matters to be complied with have all been established as regulated by the competent authority of the securities industry.

A company may obtain directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of directorship.

Article 17: When the number of vacancies in the board of directors of a company equals one-third of the total number of directors, the Board of Directors shall call, within 60 days, a special meeting of shareholders to elect succeeding directors to fulfill the unexpired term of office of the predecessor.

Article 18: In case no election of new directors is effected after expiration of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new directors have been elected and assumed their office.

Article 18-1: The total registered shares of the Company held by all the directors shall be governed by the provisions prescribed by the competent authority of securities affairs.

Article 19: The Board of Directors is constituted by directors, and the Chairman is elected from the directors by a majority of the directors at a board meeting at which over two-thirds of the directors are present. The Chairman represents the Company in its external dealings.

- Article 20: The Company's operational directions and important matters shall be determined by the Board of Directors. Except when called for the first meeting of each board of directors in accordance with Article 203 of the Company Act, board meetings shall be called by the Chairman. In case the Chairman is on leave or can not exercise his power and authority for any cause, a delegate shall be designated to act on the Chairman's behalf in accordance with Article 208 of the Company Act.
- Article 21: Unless otherwise provided for under the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. A director who appoints another director to attend a board meeting shall, in each instance, issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting. Each proxy may only represent one absent director. If a board meeting is conducted in the form of video conference, the attendance of a director by video conference will be deemed as attendance in person.
- Article 21-1: The reasons for calling a board meeting shall be notified to each director and supervisor at least seven days in advance. In emergency circumstances, however, a meeting may be called on shorter notice. The notice set forth in the preceding paragraph may be effected by means of electronic transmission, after obtaining prior consent from the recipients thereof.
- Article 22: The proceedings of a Board meeting shall be compiled into meeting minutes, which shall be signed and sealed by the Chairperson and then distributed to each director no later than 20 days after the meeting. The minutes of a shareholders' meeting shall record the date and place of the meeting, the name of the Chairperson, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. The minutes, along with the attendance logs of the directors and powers of attorney of proxies, shall be kept persistently throughout the life of the Company.
- Article 23: Deleted.
- Article 23-1: The Board of Directors is authorized to determine the remuneration for directors based on the degree of individual directors' participation in the Company's operation and the value of the contributions each has made to the Company, with reference to the ordinary standards of industry competitors.
- Article 23-2: Deleted.

Chapter 5. Managerial Personnel and Staff

- Article 24: The Company may have managerial personnel, whose appointment, dismissal and remuneration shall be handled in accordance with Article 29 of the Company Act.
- Article 25: The Company may employ consultants and important staff as resolved by the Board of Directors.
- Article 26: Deleted.

Chapter 6. Final Accounts

- Article 27: In the Company's final accounts at the end of each fiscal year, the Board of Directors shall prepare the following documents and submit them to the Shareholders' Meeting for ratification. (I) a business report; (II) financial statements; and (III) proposals of earnings distribution or loss replenishment.
- Article 28: If the Company makes a profit in a year, it shall allocate no less than 0.5% of the profit as the remuneration of employees and no more than 2% of the profit as the remuneration of directors, and among which the remuneration of entry-level employees distributed shall not be less than 10% of the amount of the remuneration of employees. However, if the Company has accumulated losses, the Company shall set aside a part of the surplus profit first for making up the losses. The determination of the distribution ratios for employee compensation and director remuneration, and whether employees' compensation shall be distributed in the form of shares or cash, shall be resolved by the majority of the directors at a board meeting at which over two-thirds of the directors are present and reported to the shareholders' meeting.
- Article 28-1: In the event of profit after closing of annual accounts, the Company shall, as provided by law, pay for the taxes, offset losses sustained in previous years, allocate ten percent as the legal earnings reserve, and provide or reverse special reserve based on the balance. Any residual balance is then added to undistributed earnings carried from previous years and distributed as dividends, subject to Board of Directors' proposal and resolution in a shareholders' meeting.
- The Company belongs to a capital intensive industry and has major investment and financial improvement plans in the coming years, making it difficult to discern clear-cut stages of its growth. For this reason, when the Company distributes its annual earnings, it will distribute cash dividends of at least ten percent; however, if the cash dividend per share is lower than NT\$0.1, it may distribute stock dividends instead.

Chapter 7. Appendix

- Article 29: Deleted.
- Article 30: The Company may invest in other businesses according to its business needs and is not subject to the forty percent restriction specified in Article 13 of the Company Act in relation to the percentage of total investment amount that can be made with a Company's paid-up capital.
- Article 31: The constitutive rules and the operation rules of the Company shall be stipulated separately by the Board of Directors.
- Article 32: Matters not provided herein shall be subject to the provisions of the Company Act and other applicable laws and regulations.
- Article 33: These Articles of Incorporation were established on March 26, 1987.

The first amendment was made on May 8, 1990.
The second amendment was made on June 8, 1992.
The third amendment was made on January 22, 1994.
The fourth amendment was made on September 1, 1994.
The fifth amendment was made on July 29, 1995.
The sixth amendment was made on April 30, 1996.
The seventh amendment was made on April 29, 1997.
The eighth amendment was made on March 17, 1998.
The ninth amendment was made on June 22, 2000.
The tenth amendment was made on June 27, 2002.
The eleventh amendment was made on June 30, 2003.
The twelfth amendment was made on June 30, 2003.
The thirteenth amendment was made on June 16, 2004.
The fourteenth amendment was made on June 27, 2005.
The fifteenth amendment was made on June 9, 2006.
The sixteenth amendment was made on June 28, 2007.
The seventeenth amendment was made on June 22, 2010.
The eighteenth amendment was made on June 20, 2012.
The nineteenth amendment was made on June 20, 2014.
The twentieth amendment was made on June 17, 2016.
The twentieth-first amendment was made on June 16, 2017.
The twentieth-second amendment was made on June 6, 2019.
The twentieth-third amendment was made on June 10, 2020.
The twentieth-fourth amendment was made on July 13, 2021.
The twentieth-fifth amendment was made on June 16, 2022.
The twenty-sixth amendment was made on June 14, 2024.
The twenty-seventh amendment was made on June 20, 2025.

SAKURA DEVELOPMENT CO.,LTD

Rules and Procedures for Shareholders' Meetings

- Article 1 The rules of procedures for the Company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.
- Article 2 The Company shall provide an attendance log to record the attendance of shareholders; alternatively, attendance cards may be presented to signify their presence at the meeting. When the shareholders' meeting is convened by video conference, the sign-in process shall begin on the video conference platform 30 minutes before the meeting commences. Shareholders who have completed the sign-in shall be deemed to have attended the shareholders' meeting in person. The number of shares in attendance shall be counted according to the shares indicated in the sign-in book or the sign-in cards handed in and the sign-in record on the video conference platform plus the number of shares whose voting rights are exercised by electronic means.
- Article 3 Shareholder attendance and votes are calculated by the number of shares represented during the meeting.
If the shareholders' meeting is convened by video conference, shareholders who wish to attend by video conference shall register with the Company two days prior to the shareholders' meeting.
- Article 4 Shareholders' meetings shall be held at the Company's location or locations that are suitable and convenient for shareholders to attend. Meetings shall begin no earlier than 9 a.m. and no later than 3 p.m.
When the Company convenes a shareholders' meeting by video conference, it is not subject to the restriction on the venue of the meeting under the preceding paragraph.
- Article 5 Shareholders' meetings that are convened by the Board of Directors shall be chaired by the Chairperson. If the Chairperson is unable to perform such duties due to a leave of absence or any reason, the Chairperson may appoint one of the directors to act on the Chairperson's behalf. If the Chairperson does not appoint a delegate, one shall be elected among the directors to act on the Chairperson's behalf.
For shareholders' meetings convened by any authorized party other than the Board of Directors, the convener will act as the chair of the meeting. If there are two or more conveners at the same time, one shall be appointed from among them to chair the meeting.
- Article 6 The company may summon its lawyers, certified public accountants, and any relevant personnel to be present at the shareholders' meeting.
- Article 7 The whole course of a shareholders' meeting shall be recorded on audio or video tape and shall be retained for at least one year.
If a shareholders' meeting is convened by video conference, the Company shall keep records of shareholders' registration, sign-in, questions raised, as well as voting and the Company's vote counting results and retain the records, while making an uninterrupted audio and video recording of the entire video conference.
The above-mentioned materials and audio and video recordings shall be properly kept by the Company during the period of its existence, and the audio and video recordings shall be provided to those who are entrusted to handle the video conference affairs for storage.
- Article 8 The chair of the meeting shall call the meeting to order at the time scheduled for the meeting. If the number of shares represented by the shareholders present at the meeting does not accumulate to more than half of the Company's outstanding shares, the chair may postpone the time of the meeting. The postponements shall be limited to two times and the meeting shall not be postponed for longer than one hour in aggregate; If attending shareholders still represent less than one third of the total number of issued shares after two postponements, the chair shall declare the meeting

adjourned. If a shareholders' meeting is convened by video conference, the Company shall also declare the meeting adjourned on the video conference platform.

If there are not enough shareholders representing at least one third of issued shares attending the meeting after two postponements in the preceding paragraph, tentative resolutions may be passed in accordance with Paragraph 1, Article 175 of the Company Act. Shareholders shall be notified of the tentative resolutions, and another shareholders' meeting will be convened within one month. If a shareholders' meeting is convened by video conference, shareholders who wish to attend by video conference shall re-register with the Company in accordance with Article 3.

If, after two postponements, no quorum can yet be constituted, but the shareholders present at the meeting represent more than one-third of the total outstanding shares, tentative resolutions may be made in accordance with Article 174 of the Company Act.

When a shareholders' meeting is convened by video conference the chair shall declare the requirement on the date of the meeting postponed or resumed within five days due to any natural disasters, accidents, or other force majeure events that have obstructed the video conference platform or the participation in the video conference for more than 30 minutes under Article 182 of the Company Act shall not apply before the chair declares the meeting adjourned.

Article 9 If a shareholders' meeting is convened by the Board of Directors, the Board of Directors shall determine the meeting agenda. The agenda may not be changed unless resolved during the shareholders' meeting.

The above rule also applies if the shareholders' meeting is convened by any authorized party other than the Board of Directors.

In either of the two arrangements described above, the chair may not dismiss the meeting while an agenda item (including extempore motions) is still in progress.

The shareholders may not designate any other person as chair and continue the meeting in the same or another place after the meeting ends. However, if the chair violates the meeting policy by dismissing the meeting when it is not allowed to do so, another chair may be elected with the support of the majority of voting rights represented and continue the meeting.

Article 10 Before speaking, an attending shareholder shall specify on a speaker's slip the subject of the speech, their shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder present at the meeting that merely submits a statement slip without speaking is considered not to have spoken. If the shareholder's actual comments differ from those stated on the statement slip, only the actual comments expressed shall be recorded.

While a shareholder is speaking, other shareholders may not speak simultaneously or interfere in any way, unless agreed upon by the chair and the person speaking. Any violators shall be restrained by the chair.

If a shareholders' meeting is convened by video conference, shareholders who participate by video conference may ask questions in text on the video conference platform after the chair calls the meeting to order and before the chair declares the meeting adjourned. The number of questions raised by each shareholder for each motion shall not exceed two, each question shall be limited to 200 words, and the provisions of Article 11, Article 12 and Paragraphs 1 to 3 of this Article shall not apply.

Article 11 Unless otherwise permitted by the Chairperson, each shareholder shall speak no more than two times, for five minutes each, on the same agenda item.

Article 12 If the corporate shareholder is attending as a proxy, only one representative shall be appointed to attend the meeting.

Where a corporate shareholder has appointed two or more representatives to attend the shareholders' meeting, only one representative may speak per agenda item.

Article 13 After the shareholder has finished speaking, the Chairperson may answer the shareholder's queries personally or appoint any relevant personnel to do so.

- Article 14 When the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call a vote.
- Article 15 The chair will appoint a ballot scrutineer and a ballot counter; the ballot scrutineer must be a shareholder. Voting results shall be made known on-site immediately and recorded in writing. When a shareholders' meeting is convened by video conference, the Company shall immediately disclose the voting results and election results of various motions on the video conference platform in accordance with the regulations and shall continue to disclose for at least 15 minutes after the chair declares the meeting adjourned.
- Article 16 While the shareholders' meeting is in session, the chair may allocate and announce the appropriate time for breaks.
- Article 17 Unless otherwise provided by the Company Act or the Company's Articles of Incorporation, a proposal shall be approved by the majority of the total voting rights represented.
- Article 18 When there is an amendment or alternative resolution to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. If any resolution is passed, all other proposals shall be deemed rejected, and no further voting is necessary.
- Article 19 The chair may instruct the inspectors (or security personnel) to assist in maintaining order in the meeting venue.
- Article 20 These rules shall come into force on the approval of the shareholders' meeting, as shall any amendment.

SAKURA DEVELOPMENT CO., LTD

Procedures for Election of Directors

Article 1

To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2

Except as otherwise provided by law and regulation or by the Company's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.

Article 3

The overall composition of the Board of Directors shall be taken into consideration in the selection of the Company's directors. The composition of the Board of Directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

- I. Basic requirements and values: Gender, age, nationality, and culture.
- II. Professional knowledge and skills: A professional background (e. g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:

- I. The ability to make judgments about operations.
- II. Accounting and financial analysis ability.
- III. Business management ability.
- IV. Crisis management ability.
- V. Industry knowledge
- VI. An international market insight.
- VII. Leadership ability.
- VIII. Decision-making ability.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

The Board of Directors of this Corporation shall consider adjusting its composition based on the results of the performance evaluation.

Article 4

The qualifications and elections for the independent directors of the Company shall comply with the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 5

Elections of directors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.

When the number of directors falls below five due to the dismissal of a director for any reason, the company shall hold a director by-election at the next following shareholders meeting.

When the number of directors falls short by one-third of the total number prescribed by the articles of incorporation, the company shall convene a special shareholders meeting within 60 days of the occurrence of that fact to hold a director by-election.

When the number of independent directors falls below that required under the proviso of Paragraph 1, Article 14-2 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

Article 6

The cumulative voting method shall be used for election of the directors at the Company. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.

Article 7

The Board of Directors shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 8

The number of directors will be as specified in the Company's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Article 9

The chairperson, before the beginning of the election, shall appoint a number of monitoring and counting personnel, who have shareholder identities, to perform the respective duties of voting. The ballot boxes shall be prepared by the Board of Directors and shall be opened and tested by the scrutineers in public before the voting.

Article 10

An election ballot is invalid under any of the circumstances listed on the left:

- I. The ballot was not prepared by a person with the right to convene.
- II. A blank ballot is placed in the ballot box.
- III. The writing is unclear and indecipherable or has been altered.
- IV. The candidate whose name is entered in the ballot does not conform to the director candidate list.
- V. Other words or marks are entered in addition to the number of voting rights allotted.

Article 11

The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. However, for the litigation filed by the shareholders in accordance with Article 189 of the Company Act, it shall be reserved until the end of the proceedings.

Article 12

The Board of Directors of the Company shall issue notifications to the persons elected as directors.

Article 13

These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

SAKURA DEVELOPMENT CO., LTD

Status of Holdings of Directors

Record Date: April 18, 2026

Title	Name	Registered shares as of the book closure date	
		No. of Shares	Percentage
Chairman	Chen, Shin-Ying	6,062,413	0.51%
Directors	Ho-Yang Management Consultant Co., Ltd. Representative: Chen, Cheng-Gang	226,159,850	18.96%
Directors	Ho-Yang Management Consultant Co., Ltd. Representative: Chiang, Yao-Chun		
Directors	Pair, Shwu-Jeng	1,875,742	0.16%
Independent Director	Hsu, Chen-Hua	0	0%
Independent Director	Wang, Kuei-Yuan	0	0%
Independent Director	Hung, Ming-Tsung	0	0%
Total		234,098,005	

- Note:
1. The Company's total directors' shareholdings as required by law are: 32,000,000 shares; total directors' shareholdings as of April 18, 2026 were: 234,098,005 shares.
 2. The Company has established an Audit Committee; therefore, there is no applicable information on the number of shares retained by supervisors.