

Stock Code: 9911

TAIWAN SAKURA CORPORATION

2025 ANNUAL GENERAL SHAREHOLDERS' MEETING

MEETING HANDBOOK

Meeting Date: 19 June 2025

Location: No. 436, Sec. 4, Yatan Rd., Daya Dist., Taichung City, Taiwan, R.O.C.

(Daya Plant)

Type of meeting: Physical Meeting

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TAIWAN SAKURA CORPORATION
2025 Annual General Shareholders' Meeting

Time: 19 June 2025 at 9:00 a.m. (Thursday)

Location: No. 436, Sec. 4, Yatan Rd., Daya Dist., Taichung City, Taiwan, R.O.C. (Daya Plant)

Meeting Agenda:

I. Call Meeting to Order

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(2) 2024 Audit Committee's Review Report

(3) 2024 Employee and Director Compensation Distribution Report

(4) 2024 Cash Dividends Distribution Report

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(2) To Approve 2024 Earnings Appropriation Proposal

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(1) Amendment to the Company's "Articles of Incorporation"

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Matters for Report

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1. 2024 Business Report

Descriptions: Please refer to Attachment 1 (P.9-11) for details.

2. 2024 Audit Committee's Review Report

Descriptions: Please refer to Attachment 2 (P.12) for details

3. 2024 Employee and Director Compensation Distribution Report

Descriptions:

- (1) Pursuant to Article 20 of Articles of Incorporation adopted by TAIWAN SAKURA CORPORATION (hereinafter "the Company"), in a profitable fiscal year (pretax profit before distribution of employee and director compensation), the Company shall set aside 2% to 8% of the balance from the above as employee compensation, whereas not more than 5% shall be allocated as director compensation.
- (2) The Company's 2024 employee and director compensation was approved by the board of directors on 11 March 2025. A total of 3% was set aside for employee compensation, amounting to NT\$50,682,293, and 1.9% was set aside for director remuneration, amounting to NT\$32,098,785. All remuneration will be distributed in cash.

4. 2024 Cash Dividends Distribution Report

Descriptions:

- (1) This matter was conducted pursuant to Article 20-1 of the Company's Articles of Incorporation, the 2024 Cash Dividends Distribution Report was approved by the board of directors on 11 March 2025.
- (2) The Company's 2024 cash dividends amounted to NT\$1,039,269,584, NT\$4.7 per share. The cash dividends will be distributed in proportion to the percentage of shares held by each shareholder on the dividend declaration date. Cash dividends will be distributed in rounded amount to the nearest NT dollar. Remaining pennies from the cash dividends distribution will be included as the Company's other income.
- (3) The cash dividend declaration date is on 25 April 2025 and cash dividend distribution date is on 21 May 2025. The Chairman also has the rights to adjust cash dividends per share if the amount of outstanding shares changes as a result of Company buying back or selling off treasury stocks.

Matters for Ratification

Ratification Items

1. Proposed by: The board of directors

Subject: Approval of the 2024 Business Report and Financial Statements

Descriptions:

(1) The Company's 2024 Individual Financial Statements and Consolidated Financial Statements have been audited by independent auditors, Yu-Ting Huang and Tzu-Ping Huang of Ernst & Young, who have issued the independent auditors' report. The Company's financial statements and the accompanying business reports had been reviewed by the Company's Audit Committee, who issued the Audit Committee's Review Report. Please refer to Attachments 1 and Attachments 3 (P.9-11 and P.13-34) for the aforementioned documents.

(2) Proposed for recognition

Resolution:

2. Proposed by: The board of director

Subject: Approval of the 2024 Earnings Appropriation Report

Descriptions:

(1) The Company's 2024 net profit after tax of NT\$1,300,674,080; resulting the amount possible to distributable as NT\$2,799,104,274, and the distribute cash dividends NT\$1,039,269,584.

(2) Please refer to Attachment 4 (P.35) for details on the 2024 Earnings Appropriation Report.

(3) Proposed for recognition

Resolution:

Discussions

Discussion Items

1. Proposed by: The board of directors

Subject: Amendment to the Company's "Articles of Incorporation"

Descriptions:

(1) According to relevant regulatory amendments, the Company proposed to revise certain articles of the Company's "Articles of Incorporation ". For comparison table of Amendments to the "Articles of Incorporation", please refer to Attachment 5 (P.36-37).

(2) Proposed for resolution

Resolution:

2. Proposed by: The board of directors

Subject: Issuance of Employee Restricted Stock Awards

Description:

(1) The Company intends to issue the "2025 Employee Restricted Stock Awards" in accordance with Article 267 of the Company Act and the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" issued by the Financial Supervisory Commission and other relevant regulations. Please refer to Attachment 6 for the terms and conditions of the issuance (P.38-44).

(2) Total issuance:

The total issuance amount is NT\$15,000,000, with a par value of NT\$10 per share, for a total of 1,500,000 common shares to be issued.

(3) Terms and conditions:

a. Issuance price: free of charge.

b. Vesting conditions:

The employee must meet the individual performance, company performance, and service conditions specified in the Company's "2025 Employee Restricted Stock Awards Rules", and shall not have violated any labor contract, work rules, non-compete agreements, confidentiality agreements, or any other contractual agreements with the Company or its subsidiaries during the vesting period.

c. Measures to be taken when employees fail to meet the vesting conditions or in the event of inheritance:

If an employee fails to meet the vesting conditions, the Company shall reclaim the allocated shares without charge and cancel such shares. In the event case of any exceptions (including but not limited to inheritance), the "2025 Employee Restricted Stock Awards Rules" shall prevail.

- (4) Qualifications of employees and the number of shares they are eligible for
- a. The employee restricted stock awards shall be allocated only to the Company's full-time managers or key personnel of the Company and its subsidiaries who are employed on the grant date and have achieved certain performance goals. The qualifications are as follows:
 - A. Employees who have a significant influence on the Company's or the Company's subsidiaries' operational decisions.
 - B. Employees whose roles are highly relevant to the future strategies and developments of the Company or its subsidiaries.
 - b. The number of employee restricted stock awards allocated to eligible employees will be determined based on factors such as the Company's operational performance, years of service, position, performance evaluations, overall contribution, special achievements, annual duty adjustments, and other management considerations. The allocation principles will be formulated by the chairman and CEO and submitted to the board of directors for approval. Prior to submission, if the employee is a manager or a director serving concurrently as an employee, approval must be obtained from the Remuneration Committee. If the employee is not a manager, approval must be obtained from the Audit Committee.
- (5) The necessary reason for the issuance of employee restricted stock awards:
The issuance is aimed at attracting and retaining senior executives and key talent within the Company, while tying their remuneration to shareholder interests and the Company's governance outcomes.
- (6) Estimated expenses, dilution of the Company's EPS, and other matters affecting shareholder's equity:
If all vesting conditions are met, the total estimated expense amounts to approximately NT\$126,000 thousand. The expense for 2026 to 2028 amounts to approximately NT\$36,698 thousand, NT\$36,698 thousand, and NT\$52,604 thousand, respectively.
Based on the Company's current outstanding shares of 218,808,256 shares, the estimated potential decrease in EPS for 2026 to 2028 is NT\$0.17, NT\$ 0.17, and NT\$0.24, respectively. The potential dilution of the Company's EPS is expected to be limited, and therefore, there is no significant impact on shareholder's equity.
- (7) The Company will conduct this issuance of employee restricted stock awards by means of a stock trust custody arrangement.
- (8) Within two years from the date the notification of effective registration from the competent authority is received, the Company may issue employee restricted stock awards in one or multiple tranches as needed. The actual issuance date(s) and related administrative matters shall be determined by the Board of Directors or by the Chairman as authorized by the Board.
- (9) This translation accurately conveys the original meaning and follows standard legal and corporate terminology. If any revisions to the terms of the restricted shares are required due to changes in laws or regulatory requirements, it is proposed that the shareholders' meeting authorize the Board of Directors or its authorized representatives to handle all matters related to the issuance of employee restricted stock awards.
- (10) Proposed for resolution.

Resolution:

Elections

Election Items

1. Subject: Proposal for the Election of the 14th Board of Directors (Including Independent Directors)

Descriptions:

- (1) The term of the 13th Board of Directors (Including Independent Directors) will expire on 16 June 2025. It is proposed to conduct a comprehensive re-election at this year's annual general shareholders' meeting.
- (2) In accordance with Article 13 of the Company's Articles of Incorporation and the resolution of the Board of Directors, the 14th Board of Directors will consist of nine directors (including three independent directors), with a term of three years. The newly elected directors will assume office starting from the date of the Annual General Shareholders' Meeting and will serve from 19 June 2025 to 18 June 2028.
- (3) In accordance with the Company's Articles of Incorporation, the election of directors (including independent directors) adopts a candidate nomination system, where shareholders elect from the list of nominated candidates. Independent directors and non-independent directors will be elected together, with the number of seats calculated separately for each category.
- (4) The list of candidates for the Board of Directors (including independent directors) has been approved by the Company's Board of Directors on 8 May 2025. Relevant information on the candidates can be found in Attachment 7 (P.45-46).
- (5) For the Company's "Procedures for the Election of Directors", please refer to Appendix 3 (P.63-64).
- (6) Proposed for election.

Resolution:

Other Motion

Other Items

1. Subject: Proposal for the Release of Non-Competition Restrictions on Newly Elected Directors and Their Representatives

Descriptions:

- (1) In accordance with Article 209 of the Company Act “When a director engages in conduct within the scope of the company's business for themselves or for another, they shall explain the essential details of such conduct to the shareholders' meeting and obtain its approval”.
- (2) The upcoming shareholders' meeting will involve a complete re-election of the board of directors. Some of the newly appointed directors or the legal entities they represent may have investments in or operate other companies that are engaged in business activities similar to or the same as those of the company, and may hold positions as directors or managers in those companies. In light of the company's business development requirements, it is therefore proposed to the shareholders' meeting to approve the release of the non-competition restrictions for newly elected directors and their representatives, in accordance with applicable laws.
- (3) After the election of the director and independent director candidates, it is proposed that the restrictions on their engagement in competitive conduct be released. The details of the relevant competitive activities are as follows:

Nomination Category	Name	Concurrent Positions in Other Companies	Title
Director	UNJ Holding Corporation Representative: Yung-Chieh Chang	Sakura Bath and Kitchen Products (China) Co., Ltd.	Chairman
		Sakura Shunde Co., Ltd.	Director
Director	UNJ Holding Corporation Representative: Gen-Cheng Wu	SysJust Media Corporation	Chairman
		Mediera Corporation	Independent director
		China Television Company, Ltd.	Independent director
		Advancetek Enterprise Co., Ltd.	Independent director
Director	Ko Li Te Investment Co., Ltd. Representative: Yuo-Tu Lin	Mekong Trading Corporation	Director
		Puda Industrial Co., Ltd.	Director
		Eiffel Enterprise Co., Ltd.	Director
Director	Ko Li Te Investment Co., Ltd. Representative: Ching-Wen Chang	Bounce Pretty Co., Ltd.	Chairman
Independent director	Ming-Yuan Jheng	Long Term Capital Co., Ltd.	Chairman
		TaiwanJ Pharmaceuticals Co., Ltd.	Independent director
		Chumpower Machinery Corporation	Independent director
Independent director	Chi-Wei Lin	Nien Made Enterprise Co., Ltd.	Independent director
		Lelon Electronics Corp.	Independent director
		Sweeten Real Estate Development Co., Ltd.	Independent director

Resolution:

Extempore Motion

Adjournment

TAIWAN SAKURA CORPORATION

2024 Business Report

1. Operating direction and actual performance

The year 2024 marked a pivotal period for TAIWAN SAKURA CORPORATION, characterized by both “breakthroughs in existing businesses” and “the rise of new ventures.” On the front of existing business advancements, the Company officially launched AI KITCHEN, signaling TAIWAN SAKURA CORPORATION’s entry into the AI era. Through innovative kitchen appliances and rapid channel expansion, the Company secured an early lead in the construction project market and successfully boosted brand awareness for its AI product line. In the Company’s kitchen systems division, we continued to enhance customer satisfaction through one-stop, integrated solutions, achieving record highs in both sales and profitability year after year. In the water purification business, we established a competitive edge through product differentiation, further reinforcing the brand’s professional image. Supported by a streamlined and efficient sales force, we rapidly expanded market coverage. As for the home living business, we focused on cultivating relationships with property developers. Our business model has been continually refined and is gradually reaching maturity. Last year marked the beginning of profitability in this segment, and we believe that once the operational framework is fully established, it will become a major growth engine for the Group.

Over the past year, TAIWAN SAKURA CORPORATION underwent significant changes and breakthroughs. Each transformation represented a new challenge for the Company. However, thanks to our solid operational foundation and strong execution team, we continued to deliver outstanding business performance, achieving double-digit growth in both revenue and profit. In 2024, the Company's revenue from operations reached NT\$8.72 billion, representing a year-over-year increase of 14.9%. Operating profit amounted to NT\$1.35 billion, up 14.1% from the previous year, while net income after tax rose significantly by 21.3% to NT\$1.3 billion.

TAIWAN SAKURA CORPORATION has always placed the consumer at the center, with "lifetime service" as our promise. Today, we find ourselves in an era of rapid change. As the global economic environment fluctuates and AI technology evolves at an accelerated pace, consumer behavior continues to change as well. Only by staying closely aligned with consumer needs can we maintain our leadership in the market. Therefore, building on the foundation established by TAIWAN SAKURA CORPORATION, we will remain agile and adaptable, swiftly responding to market demands and continuously creating momentum for growth.

2. Result of operation plan

Unit: NT\$ (in thousands)

Item	2024	2023	Increase (decrease) %
Operating revenues	8,721,123	7,590,743	14.89%
Operating income	1,346,229	1,179,834	14.10%
Pre-tax income	1,606,629	1,339,290	19.96%
Net income	1,300,674	1,072,204	21.31%

3. Forecast and implementation

Unit: Pcs; Sets

Main products	Target sales number in 2024	Actual sales number in 2024	Success rate
Kitchen Appliance	437,053	448,903	102.71%
Water heater	256,172	280,083	109.33%
Kitchen cabinets (Note 1)	36,717	37,587	102.37%
Others (Note 2)	320,271	333,221	104.04%
Total	1,050,213	1,099,794	104.72%

Note 1: This figure only includes complete sets of cabinet of kitchen cabinet; sales that were not completed in sets are not included in the calculation of success rate.

Note 2: This category mainly consists of electrical products purchased externally and water purifiers' filter.

Note 3: The target sales number and actual sales number did not include the quantity sold to subsidiaries.

4. Financial Highlights and Profitability Analysis

(1) Financial Highlight

Unit: NT\$ (in thousands)

Item \ Year	2024	2023	Increase (decrease) %
Cash inflow from operating activities	1,103,283	1,145,857	(3.72%)
Cash outflow from investment activities	(268,041)	(138,330)	(93.77%)
Cash outflow from financing activities	(727,059)	(755,052)	3.71%

(2) Profitability analysis

Item analyzed \ Year		2024	2023	
Profitability	Return on assets (%)	13.44	12.27	
	Return on equity (%)	20.76	18.40	
	Ratio to paid-in capital (%)	Operating income	60.88	53.35
		Pre-tax income	72.65	60.56
	Profit margin (%)	14.91	14.12	
	Earnings per share (NT\$)	5.94	4.90	

5. Research & development

The Research & Development (R&D) team of Taiwan Sakura Corporation has incorporated the brand value of “Creator of a Better Home Life” into its product research and development, while also leveraging the Company’s long-standing investment in electrical control software and hardware technologies. In addition to its continuous focus on developing convenient, safe, healthy, and environmentally friendly kitchen equipment and gas-burning products, the R&D team has expanded the Company’s product lines to include water purifiers and built-in electrical appliances. In 2024, the Company launched the Sakura AI KITCHEN series. Over the past two years, successful product developments have included the following:

- (1) AutoSeasons MaxPower Adaptive Water Heater
- (2) AutoSeasons Pump MaxPower Adaptive Water Heater
- (3) Circulating Preheating Water Heater
- (4) Beauty Skin Bath Water Heater
- (5) AutoSeasons MaxPower Adaptive High-Efficiency Water Heater
- (6) Level 1 Energy Efficiency Swirl-type Burner Built-in Hob
- (7) Automatic Flame-shut-off Built-in Hob
- (8) Dual Timer Safety Gas Stove
- (9) Smart Range Hood with Intelligent Air Control and Auto Lift Close-Range Suction
- (10) Oil-guiding Tray DC Motor Range Hood
- (11) Area-Specific Water Purifier Filter Cartridge
- (12) Multifunctional Display Water Purifier Faucet
- (13) Clean Heat Beverage Under-Counter Heater
- (14) Countertop Hot and Ambient RO Water Purifier
- (15) Hot-air Drying Dishwasher
- (16) Multi-functional Oven with Microwaves and Steam
- (17) Smart-linkage Induction Hob
- (18) Compact Smart-linkage Induction Hob
- (19) Smart Built-in Storage Cabinet
- (20) Built-in Wine Cooler

TAIWAN SAKURA CORPORATION

Audit Committee's Review Report

The Board of Directors has submitted the 2024 Business Report and Financial Statements (including the Consolidated Financial Statements). The Financial Statements (including the Consolidated Financial Statements) have been audited by Ernst & Young, who have completed their audit and issued an audit report. The above-mentioned Business Report, Financial Statements, and the proposal for earnings distribution have been reviewed by the Audit Committee, which found no discrepancies. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, a report has been prepared and is hereby submitted for review and acknowledgment

TAIWAN SAKURA CORPORATION

2025 ANNUAL GENERAL SHAREHOLDERS' MEETING

TAIWAN SAKURA CORPORATION

Chairman of the Audit Committee: Jyh-Ren Chen

11 March 2025

2024 Financial Statements and Independent Auditor's Report

Independent Auditors' Report

To Taiwan Sakura Corporation:

Opinion

We have audited the accompanying parent company only balance sheets of Taiwan Sakura Corporation (the "Company") as of 31 December 2024 and 2023, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended 31 December 2024 and 2023, and notes to the parent company only financial statements, including the summary of material accounting policies (together "the parent company only financial statements").

In our opinion, based on our audits and the reports of the other auditors (please refer to the Other Matter – Making Reference to the Audits of Other Auditors section of our report), the parent company only financial statements referred to above present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and 2023, and their financial performance and cash flows for the years ended 31 December 2024 and 2023, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2024 parent company only financial statements. 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.

Revenue recognition

The Company recognized operating revenue of NT\$8,721,123 thousand in 2024. The main products are gas cookers, water heaters and kitchen appliances. The main trading partners of the Company are dealers and retailers. The transactions are frequent and of great volume, and the number of contract types is numerous. The judgement and decision on the performance obligation and the time of satisfaction are important to the parent company only financial statements. Therefore, we determined it as a key audit matter. Our audit procedures include, but are not limited to, understanding and testing of the effectiveness of the parent company's internal control related to revenue recognition in the sales cycle; selecting samples to perform test of details of transactions and reviewing the revenue recognition requirements in the orders or contracts to meet the performance obligations; verifying the significant terms and conditions and checking the relevant supporting documents to confirm the accuracy of the timing to transfer commodity rights; examining the relevant supporting documents of the revenue transaction for a period of time before and after the balance sheet date to determine the revenue recognized at the appropriate timing. We also considered the appropriateness of the disclosure of operating revenue in Note 6 of the parent company only financial statements.

Other Matter – Making Reference to the Audits of Other Auditors

The financial statements of some of the investee companies included in the parent company only financial statements were not audited by us, the independent accountant, but by other accountants. Therefore, our opinion expressed herein and the amounts listed in the parent company only financial statements of the investee companies are based solely on the audit reports of other auditors. The investments in the investee companies accounted for using the equity method as of 31 December 2024 and 2023 amounted to NT\$1,114,163 thousand and NT\$1,087,985 thousand, respectively, accounting for 10% and 11% of the total assets, respectively. For the years ended 31 December 2024 and 2023, the shares of profit and loss of subsidiaries, affiliates and joint ventures recognized by the equity method amounted to NT\$70,874 thousand and NT\$91,606 thousand, respectively, accounting for 4% and 7% of the net income before tax, respectively. For the years ended 31 December 2024 and 2023, the shares of other comprehensive income of subsidiaries, affiliates and joint ventures recognized by the equity method amounted to NT\$43,429 thousand and NT\$(14,066) thousand, respectively, accounting for 43% and (26)% of the other comprehensive income, respectively.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of 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 the 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 ability to continue as a going concern of the Company, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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 the 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 professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
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 ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of 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 2024 parent company only financial statements 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.

Huang, Yu-Ting

Huang, Tzu-Ping

Ernst & Young, Taiwan
11 March 2025

Notes to Readers

The accompanying parent company only financial statements are intended only to present the parent company's statement of 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 the parent company only 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 the parent company only financial statements, the Chinese version shall prevail.

Taiwan Sakura Corporation
PARENT COMPANY ONLY BALANCE SHEETS
31 December 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of			
		31 December 2024		31 December 2023	
		Amount	%	Amount	%
Current assets					
Cash and cash equivalents	4, 6(1)	\$1,701,704	17	\$1,593,521	17
Contract assets, current	4, 6(17),(18)	258,194	3	224,779	3
Notes receivable, net	4, 6(2),(18)	150,731	1	139,366	1
Accounts receivable, net	4, 6(2),(18), 7	1,013,732	10	1,056,696	12
Inventories	4, 6(3)	1,538,294	15	1,201,678	13
Prepayment	4, 6(4)	132,641	1	79,248	1
Other current assets		85,229	1	8,737	-
Total current assets		4,880,525	48	4,304,025	47
Non-current assets					
Financial assets measured at fair value through other comprehensive income, non-current	4, 6(5)	132,808	1	107,531	1
Investment accounted for using equity method	4, 6(6)	2,424,351	24	2,310,502	26
Property, plant and equipment	4, 6(7), 8	2,108,626	21	1,930,220	21
Right-of-use assets	4, 6(19)	244,860	2	153,305	2
Investment property, net	4, 6(8), 8	200,140	2	190,814	2
Intangible assets	4, 6(9)	30,332	-	18,220	-
Deferred income tax assets	4, 6(23)	28,045	-	27,005	-
Prepayments for equipment		25,175	-	16,097	-
Other non-current assets	4, 6(10)	178,346	2	109,816	1
Total non-current assets		5,372,683	52	4,863,510	53
Total assets		\$10,253,208	100	\$9,167,535	100

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

(continued)

Taiwan Sakura Corporation
PARENT COMPANY ONLY BALANCE SHEETS
31 December 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	As of			
		31 December 2024		31 December 2023	
		Amount	%	Amount	%
Current liabilities					
Short-term loans	4, 6(11)	\$4,750	-	\$602	-
Contract liabilities, current	4, 6(17)	239,386	2	193,684	2
Notes payable		59	-	890	-
Accounts payable	7	1,564,013	15	1,504,381	16
Other payables	6(12),(14)	935,404	9	732,329	8
Current income tax liabilities		171,739	2	252,964	3
Leased liabilities, current	4, 6(19)	65,173	1	52,586	1
Long-term loans payable, current portion	4, 6(13)	8,000	-	8,000	-
Other current liabilities	4, 6(15)	53,107	1	39,747	1
Total current liabilities		3,041,631	30	2,785,183	31
Non-current liabilities					
Long-term loans	4, 6(13)	304,000	3	112,000	1
Deferred income tax liabilities	4, 6(23)	61,463	1	43,994	-
Leased liabilities, non-current	4, 6(19)	234,496	2	160,671	2
Net defined benefit liability, non-current	4, 6(14)	13,143	-	24,712	-
Other non-current liabilities	6(15)	58,521	-	55,303	1
Total non-current liabilities		671,623	6	396,680	4
Total liabilities		3,713,254	36	3,181,863	35
Equity attributable to owners of parent	4, 6(16)				
Capital					
Common stock		2,211,212	22	2,211,212	24
Additional paid-in capital		141,154	1	131,074	1
Retained earnings					
Legal reserve		1,047,021	10	939,528	10
Special reserve		115,799	1	115,799	1
Unappropriated earnings		2,930,069	29	2,585,864	28
Total retained earnings		4,092,889	40	3,641,191	39
Other components of equity					
Exchange differences on translation of foreign operations		(77,905)	(1)	(126,385)	(1)
Unrealised gains or losses from financial assets measured at fair value through other comprehensive income		193,852	2	149,828	2
Total other components of equity		115,947	1	23,443	1
Treasury stock		(21,248)	-	(21,248)	-
Total equity		6,539,954	64	5,985,672	65
Total liabilities and equity		\$10,253,208	100	\$9,167,535	100

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

Taiwan Sakura Corporation
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
For the years ended 31 December 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

	Notes	For the years ended 31 December			
		2024		2023	
		Amount	%	Amount	%
Operating revenues	4, 6(17), 7	\$8,721,123	100	\$7,590,743	100
Operating costs	6(3),(20), 7	(5,783,866)	(66)	(5,081,915)	(67)
Gross profit		2,937,257	34	2,508,828	33
Unrealized profit on sales		(2,032)	-	(1,459)	-
Realized profit on sales		1,459	-	2,319	-
Gross profit, net		2,936,684	34	2,509,688	33
Operating expenses	6(18),(19),(20)				
Selling and marketing expenses		(1,180,328)	(14)	(941,164)	(12)
Management and administrative expenses		(316,062)	(4)	(305,640)	(4)
Research and development expenses		(91,432)	(1)	(83,206)	(1)
Expected credit (losses) gains		(2,633)	-	156	-
Total operating expenses		(1,590,455)	(19)	(1,329,854)	(17)
Operating income		1,346,229	15	1,179,834	16
Non-operating income and expenses	6(19),(21)				
Interest income		10,333	-	6,727	-
Other income		30,648	-	31,751	-
Other gains and losses		22,069	-	(6,992)	-
Finance costs		(6,413)	-	(3,265)	-
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(6)	203,763	3	131,235	2
Total non-operating income and expenses		260,400	3	159,456	2
Income from continuing operations before income tax		1,606,629	18	1,339,290	18
Income tax expense	6(23)	(305,955)	(3)	(267,086)	(4)
Income from continuing operations, net of tax		1,300,674	15	1,072,204	14
Total other comprehensive income	6(6),(22)				
Item that may not be reclassified subsequently to profit or loss					
Remeasurements of defined benefit plans		11,218	-	3,401	-
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income		44,024	1	70,281	1
Income tax related to items that may not be reclassified subsequently to profit or loss		(2,244)	-	(680)	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations		17,171	-	(8,843)	-
Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		43,429	-	(14,066)	-
Income tax related to items that may be reclassified subsequently to profit or loss		(12,120)	-	4,581	-
Total other comprehensive income, net of tax		101,478	1	54,674	1
Total comprehensive income		\$1,402,152	16	\$1,126,878	15
Earnings per share (NT\$)	6(24)				
Earnings per share-basic		\$5.94		\$4.90	
Earnings per share-diluted		\$5.92		\$4.88	

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

Taiwan Sakura Corporation
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
For the years ended 31 December 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

	Notes	Retained earnings				Other components of equity				Total Equity
		Common Stock	Additional Paid-in Capital	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gains or Losses on Financial Assets Measured at Fair Value through Other Comprehensive Income	Treasury Stock	
Balance as of 1 January 2023		\$2,211,212	\$121,350	\$830,964	\$115,799	\$2,437,651	\$(108,057)	\$79,547	\$(21,248)	\$5,667,218
Appropriation of earnings, 2022										
Legal reserve				108,564		(108,564)				-
Cash dividends						(818,148)				(818,148)
Donation from shareholders			1,166							1,166
Net income in 2023						1,072,204				1,072,204
Other comprehensive income (loss), net of income tax in 2023						2,721	(18,328)	70,281		54,674
Total comprehensive income (loss)		-	-	-	-	1,074,925	(18,328)	70,281	-	1,126,878
Adjustment due to dividends subsidiaries received from parent company			8,558							8,558
Balance as of 31 December 2023	4,6(16)	\$2,211,212	\$131,074	\$939,528	\$115,799	\$2,585,864	\$(126,385)	\$149,828	\$(21,248)	\$5,985,672
Balance as of 1 January 2024		\$2,211,212	\$131,074	\$939,528	\$115,799	\$2,585,864	\$(126,385)	\$149,828	\$(21,248)	\$5,985,672
Appropriation of earnings, 2023										
Legal reserve				107,493		(107,493)				-
Cash dividends						(857,950)				(857,950)
Donation from shareholders			1,106							1,106
Net income in 2024						1,300,674				1,300,674
Other comprehensive income (loss), net of income tax in 2024						8,974	48,480	44,024		101,478
Total comprehensive income (loss)		-	-	-	-	1,309,648	48,480	44,024	-	1,402,152
Adjustment due to dividends subsidiaries received from parent company			8,974							8,974
Balance as of 31 December 2024	4,6(16)	\$2,211,212	\$141,154	\$1,047,021	\$115,799	\$2,930,069	\$(77,905)	\$193,852	\$(21,248)	\$6,539,954

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

Taiwan Sakura Corporation
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
For the years ended 31 December 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

	For the years ended 31 December	
	2024	2023
Cash flows from operating activities:		
Net income before tax	\$1,606,629	\$1,339,290
Adjustments:		
Adjustments to reconcile net income:		
Depreciation	129,709	117,007
Amortization	31,653	25,020
Expected credit losses (gains)	2,633	(156)
Interest expense	6,413	3,265
Interest income	(10,333)	(6,727)
Dividend income	(2,086)	(1,642)
Share of profit of subsidiaries associates and joint ventures accounted for using equity method	(203,763)	(131,235)
Loss on disposal and retirement of property, plant and equipment	351	6,813
Gain on disposal of investment	(215)	(338)
Provision for inventory market price decline	5,620	10,749
Reversal of impairment loss on non-financial assets	(11,127)	-
Realized loss (gain) on inter-affiliate accounts	573	(860)
Gain from lease modification	(66)	-
Changes in operating assets and liabilities:		
Increase in contract assets	(33,822)	(41,502)
Increase in notes receivable	(11,365)	(28,734)
Decrease (Increase) in accounts receivable	40,634	(57,161)
Increase in inventories	(342,236)	(168,053)
Increase in prepayment	(53,393)	(37,229)
Decrease in other current assets	1,673	1,489
Increase in other non-current assets	(12,721)	(15,660)
Increase in contract liabilities	45,702	83,372
Decrease in notes payable	(831)	(5,542)
Increase in accounts payable	59,632	175,532
Increase in other payables	203,105	98,820
Increase (Decrease) in other current liabilities	13,360	(3,676)
Decrease in net defined benefit liabilities	(1,156)	(632)
Increase in other non-current liabilities	3,155	4,529
Cash generated from operations	<u>1,467,728</u>	<u>1,366,739</u>
Interest received	9,809	7,174
Dividend received	2,086	1,642
Income tax paid	<u>(376,340)</u>	<u>(229,698)</u>
Net cash provided by operating activities	<u>1,103,283</u>	<u>1,145,857</u>

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

(continued)

Taiwan Sakura Corporation
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
For the years ended 31 December 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

	For the years ended 31 December	
	2024	2023
(Continued)		
Cash flows from investing activities:		
Acquisition of financial assets measured at fair value through profit or loss	(50,000)	(150,000)
Proceeds from disposal of financial assets measured at fair value through profit	50,215	150,338
Increase in prepayment for investments (booked under other non-current assets)	(72,226)	-
Acquisition of property, plant and equipment	(242,225)	(230,135)
Proceeds from disposal of property, plant and equipment	-	350
Increase in refundable deposits	(5,366)	(1,388)
Decrease in refundable deposits	1,625	1,205
Increase in intangible assets	(18,878)	(11,217)
Increase in prepayment for equipment	(23,341)	(1,853)
Dividends distributed by investment accounted for using equity method	92,155	104,370
Net cash used in investing activities	(268,041)	(138,330)
Cash flows from financing activities:		
Increase in short-term loans	219,415	201,802
Decrease in short-term loans	(215,267)	(204,338)
Increase in long-term loans	200,000	120,000
Decrease in long-term loans	(8,000)	-
Increase in guaranteed deposits received	63	-
Lease principal repayment	(63,051)	(54,936)
Cash dividend distribution	(857,950)	(818,148)
Interest paid	(3,375)	(598)
Capital surplus due to donation from shareholders	1,106	1,166
Net cash used in financing activities	(727,059)	(755,052)
Net increase in cash and cash equivalents	108,183	252,475
Cash and cash equivalents at beginning of period	1,593,521	1,341,046
Cash and cash equivalents at end of period	\$1,701,704	\$1,593,521

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

Independent Auditors' Report

To Taiwan Sakura Corporation:

Opinion

We have audited the accompanying consolidated balance sheets of Taiwan Sakura Corporation (the “Company”) and its subsidiaries as of 31 December 2024 and 2023, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended 31 December 2024 and 2023, and notes to the consolidated financial statements, including the summary of material accounting policies (together “ the consolidated financial statements”).

In our opinion, based on our audits and the reports of the other auditors (please refer to the Other Matter – Making Reference to the Audits of Other Auditors section of our report), the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of 31 December 2024 and 2023, and their consolidated financial performance and cash flows for the years ended 31 December 2024 and 2023, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2024 consolidated financial statements. 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.

Revenue recognition

The Company and its subsidiaries recognized operating revenue of NT\$9,600,869 thousand in 2024. The main products are gas cookers, water heaters and kitchen appliances. The main trading partners of the company are dealers and retailers. The transactions are frequent and of great volume, and the number of contract types is numerous. The judgement and decision on the performance obligation and the time of satisfaction are important to the consolidated financial statements. Therefore, we determined it as a key audit matter. Our audit procedures include, but are not limited to, understanding and testing of the effectiveness of the Company and the subsidiaries' internal control related to revenue recognition in the sales cycle; selecting samples to perform test of details of transactions and reviewing the revenue recognition requirements in the orders or contracts to meet the performance obligations; verifying the significant terms and conditions and checking the relevant supporting documents to confirm the accuracy of the timing to transfer commodity rights; examining the relevant supporting documents of the revenue transaction for a period of time before and after the balance sheet date to determine the revenue recognized at the appropriate timing. We also consider the appropriateness of the disclosure of operating revenue in Note 6 of the consolidated financial statements.

Other Matter – Making Reference to the Audits of Other Auditors

The financial statements of some of the investee companies included in the consolidated financial statements of the Company and its subsidiaries were not audited by us, the independent accountant, but by other accountants. Therefore, our opinion expressed herein and the amounts listed in the consolidated financial statements of the investee companies are based solely on the audit reports of other auditors. The investments in the investee companies accounted for using the equity method as of 31 December 2024 and 2023 were NT\$1,114,163 thousand and NT\$1,087,985 thousand, respectively, accounting for 10% and 11% of the consolidated total assets, respectively. For the years ended 31 December 2024 and 2023, the profit and loss of subsidiaries, affiliates and joint ventures recognized by the equity method amounted to NT\$70,874 thousand and NT\$91,606 thousand, respectively, accounting for 4% and 7% of the consolidated net income before tax, respectively. For the years ended 31 December 2024 and 2023, shares of other comprehensive income of subsidiaries, affiliates and joint ventures recognized by the equity method amounted to NT\$43,429 thousand and NT\$(14,066) thousand, respectively, accounting for 43% and (26)% of the consolidated other comprehensive income, respectively.

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 requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by 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 ability to continue as a going concern of the Company and its subsidiaries, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

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 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 internal control of the Company and its subsidiaries.
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 ability to continue as a going concern of the Company and its subsidiaries. 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 Company and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, 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 the entities or business activities within the Company and its subsidiaries 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 2024 consolidated financial statements 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.

Other

We have audited and expressed an unqualified opinion including an Other Matter Paragraph on the parent company only financial statements of the Company as of and for the years ended 31 December 2024 and 2023.

Huang, Yu-Ting

Huang, Tzu-Ping

Ernst & Young, Taiwan

11 March 2025

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated statement of 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.

Taiwan Sakura Corporation
CONSOLIDATED BALANCE SHEETS
For the years ended 31 December 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of			
		31 December 2024		31 December 2023	
		Amount	%	Amount	%
Current assets					
Cash and cash equivalents	4, 6(1)	\$2,409,248	23	\$2,448,970	26
Financial assets measured at amortized cost, current	4, 6(2)	289,039	3	51,000	-
Contract assets, current	4, 6(18),(19)	277,380	3	225,267	2
Notes receivable, net	4, 6(3),(19)	173,436	2	145,185	1
Accounts receivable, net	4, 6(3),(19)	1,110,103	10	1,097,802	12
Inventories	4, 6(4)	1,645,937	15	1,297,886	14
Prepayment	6(5)	139,397	1	90,028	1
Other current assets	4	9,879	-	7,776	-
Total current assets		6,054,419	57	5,363,914	56
Non-current assets					
Financial assets measured at fair value through other comprehensive income, non-current	4, 6(6)	222,662	2	178,638	2
Investment accounted for using equity method	4, 6(7)	1,114,163	10	1,087,985	11
Property, plant and equipment	4, 6(8), 8	2,308,656	22	2,143,032	23
Right-of-use assets	4, 6(20)	377,266	4	298,857	3
Investment property, net	4, 6(9), 8	200,140	2	190,814	2
Intangible assets	4, 6(10)	150,498	2	151,387	2
Deferred income tax assets	4, 6(24)	29,626	-	28,473	-
Prepayments for equipment		25,175	-	16,097	-
Other non-current assets	4,6(11)	146,785	1	75,148	1
Total non-current assets		4,574,971	43	4,170,431	44
Total assets		\$10,629,390	100	\$9,534,345	100

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

(continued)

Taiwan Sakura Corporation
CONSOLIDATED BALANCE SHEETS
For the years ended 31 December 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	As of			
		31 December 2024		31 December 2023	
		Amount	%	Amount	%
Current liabilities					
Short-term loans	4, 6(12)	\$69,964	1	\$54,586	-
Contract liabilities, current	4, 6(18)	263,791	2	218,709	2
Notes payable		172	-	1,007	-
Accounts payable	7	1,654,250	15	1,581,224	17
Other payables	6(13)	1,031,692	10	819,377	9
Current tax income liabilities	4	183,316	2	273,697	3
Leased liabilities, current	4, 6(20)	78,679	1	67,114	1
Long-term loans payable, current portion	4, 6(14)	8,000	-	8,000	-
Other current liabilities	4, 6(16)	56,186	-	42,336	-
Total current liabilities		3,346,050	31	3,066,050	32
Non-current liabilities					
Long-term loans	4, 6(14)	304,000	3	112,000	1
Deferred tax income liabilities	4, 6(24)	61,463	1	44,024	1
Leased liabilities, non-current	4, 6(20)	260,911	2	193,003	2
Net defined benefit liability, non-current	4, 6(15)	13,143	-	24,712	-
Other non-current liabilities	6(16)	60,257	1	56,718	1
Total non-current liabilities		699,774	7	430,457	5
Total liabilities		4,045,824	38	3,496,507	37
Equity attributable to owners of parent	4, 6(17)				
Capital					
Common stock		2,211,212	21	2,211,212	23
Additional paid-in capital		141,154	1	131,074	1
Retained earnings					
Legal reserve		1,047,021	10	939,528	10
Special reserve		115,799	1	115,799	1
Unappropriated earnings		2,930,069	28	2,585,864	27
Total retained earnings		4,092,889	39	3,641,191	38
Other components of equity					
Exchange differences on translation of foreign operations		(77,905)	(1)	(126,385)	(1)
Unrealised gains or losses from financial assets measured at fair value through other comprehensive income		193,852	2	149,828	1
Total other components of equity		115,947	1	23,443	-
Treasury stock		(21,248)	-	(21,248)	-
Equity attributable to shareholders of the parent		6,539,954	62	5,985,672	62
Non-controlling interests		43,612	-	52,166	1
Total equity		6,583,566	62	6,037,838	63
Total liabilities and equity		\$10,629,390	100	\$9,534,345	100

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

Taiwan Sakura Corporation
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended 31 December 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

	Notes	For the years ended 31 December			
		2024		2023	
		Amount	%	Amount	%
Operating revenues	4, 6(18), 7	\$9,600,869	100	\$8,272,415	100
Operating costs	6(4),(15),(20),(21), 7	(6,201,887)	(65)	(5,388,868)	(65)
Gross profit		3,398,982	35	2,883,547	35
Operating expenses	6(15),(19),(20),(21)				
Selling and marketing expenses		(1,485,556)	(15)	(1,222,276)	(15)
Management and administrative expenses		(354,882)	(4)	(347,605)	(4)
Research and development expenses		(91,432)	(1)	(83,206)	(1)
Expected credit losses		(3,509)	-	(357)	-
Total operating expenses		(1,935,379)	(20)	(1,653,444)	(20)
Operating income		1,463,603	15	1,230,103	15
Non-operating income and expenses	6(20),(22)				
Interest income		31,132	-	24,536	-
Other income		32,891	-	34,245	1
Other gains and losses		37,215	1	(8,568)	-
Finance costs		(8,965)	-	(6,586)	-
Share of profit of associates and joint ventures accounted for using equity method	6(7)	70,874	1	91,606	1
Total non-operating income and expenses		163,147	2	135,233	2
Income from continuing operations before income tax		1,626,750	17	1,365,336	17
Income tax expense	4, 6(24)	(334,630)	(4)	(296,229)	(4)
Income from continuing operations, net of tax		1,292,120	13	1,069,107	13
Total other comprehensive income	6(23)				
Items that may not be reclassified subsequently to profit or loss					
Remeasurements of defined benefit plans		11,218	-	3,401	-
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income		44,024	1	70,281	1
Income tax related to items that may not be reclassified subsequently to profit or loss	6(24)	(2,244)	-	(680)	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations		17,171	-	(8,843)	-
Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	6(7)	43,429	1	(14,066)	-
Income tax related to items that may be reclassified subsequently to profit or loss	6(24)	(12,120)	-	4,581	-
Total other comprehensive income, net of tax		101,478	2	54,674	1
Total comprehensive income		\$1,393,598	15	\$1,123,781	14
Net income attributable to:					
Shareholders of the parent		\$1,300,674		\$1,072,204	
Non-controlling interests		(8,554)		(3,097)	
		\$1,292,120		\$1,069,107	
Comprehensive income attributable to:					
Shareholders of the parent		\$1,402,152		\$1,126,878	
Non-controlling interests		(8,554)		(3,097)	
		\$1,393,598		\$1,123,781	
Earnings per share (NT\$)	6(25)				
Earnings per share-basic		\$5.94		\$4.90	
Earnings per share-diluted		\$5.92		\$4.88	

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

Taiwan Sakura Corporation
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended 31 December 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

	Notes	Retained earnings				Other components of equity						
		Common Stock	Additional Paid-in Capital	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gains or Losses on Financial Assets Measured at Fair Value through Other Comprehensive Income	Treasury Stock	Equity attributable to shareholders of the parent	Non-Controlling Interests	Total Equity
Balance as of 1 January 2023		\$2,211,212	\$121,350	\$830,964	\$115,799	\$2,437,651	\$(108,057)	\$79,547	\$(21,248)	\$5,667,218	\$55,263	\$5,722,481
Appropriation of earnings, 2022												
Legal reserve				108,564		(108,564)				-		-
Cash dividends						(818,148)				(818,148)		(818,148)
Donation from shareholders			1,166							1,166		1,166
Net income in 2023						1,072,204				1,072,204	(3,097)	1,069,107
Other comprehensive income (loss), net of income tax in 2023						2,721	(18,328)	70,281		54,674	-	54,674
Total comprehensive income (loss)		-	-	-	-	1,074,925	(18,328)	70,281	-	1,126,878	(3,097)	1,123,781
Adjustment due to dividends subsidiaries received from parent company			8,558							8,558		8,558
Balance as of 31 December 2023	4,6(17)	\$2,211,212	\$131,074	\$939,528	\$115,799	\$2,585,864	\$(126,385)	\$149,828	\$(21,248)	\$5,985,672	\$52,166	\$6,037,838
Balance as of 1 January 2024		\$2,211,212	\$131,074	\$939,528	\$115,799	\$2,585,864	\$(126,385)	\$149,828	\$(21,248)	\$5,985,672	\$52,166	\$6,037,838
Appropriation of earnings, 2023												
Legal reserve				107,493		(107,493)				-		-
Cash dividends						(857,950)				(857,950)		(857,950)
Donation from shareholders			1,106							1,106		1,106
Net income in 2024						1,300,674				1,300,674	(8,554)	1,292,120
Other comprehensive income (loss), net of income tax in 2024						8,974	48,480	44,024		101,478	-	101,478
Total comprehensive income (loss)		-	-	-	-	1,309,648	48,480	44,024	-	1,402,152	(8,554)	1,393,598
Adjustment due to dividends subsidiaries received from parent company			8,974							8,974		8,974
Balance as of 31 December 2024	4,6(17)	\$2,211,212	\$141,154	\$1,047,021	\$115,799	\$2,930,069	\$(77,905)	\$193,852	\$(21,248)	\$6,539,954	\$43,612	\$6,583,566

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

Taiwan Sakura Corporation
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended 31 December 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

	For the years ended 31 December	
	2024	2023
Cash flows from operating activities:		
Net income before tax	\$1,626,750	\$1,365,336
Adjustments:		
Adjustments to reconcile net income:		
Depreciation	173,592	160,471
Amortization	39,983	37,810
Expected credit losses	3,509	357
Interest expense	8,965	6,586
Interest income	(31,132)	(24,536)
Dividend income	(2,665)	(1,893)
Share of profit of associates and joint ventures accounted for using equity method	(70,874)	(91,606)
Losses on disposal and retirement of property, plant and equipment	3,760	6,880
Gain on disposal of investment	(215)	(338)
Impairment loss on non-financial assets	9,063	-
Reversal of impairment loss on non-financial assets	(11,127)	-
Loss for market price decline and obsolete and slow-moving inventories	6,169	10,947
Gain from lease modification	(66)	-
Changes in operating assets and liabilities:		
Increase in contract asset	(52,520)	(41,990)
Increase in notes receivable	(28,251)	(34,163)
Increase in accounts receivable	(15,507)	(45,738)
Increase in inventories	(354,220)	(143,211)
Increase in prepayment	(49,562)	(37,143)
(Increase) Decrease in other current assets	(1,637)	6,060
Increase in other non-current assets	(19,189)	(30,592)
Increase in contract liabilities	45,082	94,890
Decrease in notes payable	(835)	(5,577)
Increase in accounts payable	73,026	187,564
Increase in other payables	212,409	93,840
Increase (Decrease) in other current liabilities	13,787	(3,546)
Decrease in net defined benefit liabilities	(1,156)	(632)
Increase in other non-current liabilities	3,539	4,749
Cash generated from operations	<u>1,580,678</u>	<u>1,514,525</u>
Interest received	30,783	24,115
Dividend received	2,665	1,893
Income tax paid	(422,942)	(260,607)
Net cash provided by operating activities	<u>1,191,184</u>	<u>1,279,926</u>

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

(continued)

Taiwan Sakura Corporation
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended 31 December 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

	For the years ended 31 December	
	2024	2023
(Continued)		
Cash flows from investing activities:		
Acquisition of financial assets measured at amortized cost	(437,286)	(25,000)
Disposal of financial assets measured at amortized cost	200,795	145,141
Acquisition of financial assets measured at fair value through profit or loss	(50,000)	(150,000)
Proceeds from disposal of financial assets measured at fair value through profit or loss	50,215	150,338
Increase in prepayment for investments (booked under other non-current assets)	(72,226)	-
Acquisition of property, plant and equipment	(244,749)	(252,312)
Proceeds from disposal of property, plant and equipment	-	350
Increase in refundable deposits	(6,121)	(2,247)
Decrease in refundable deposits	2,657	1,929
Increase in intangible assets	(19,993)	(13,501)
Increase in prepayment for equipment	(23,341)	(1,657)
Dividends distributed by investment accounted for using equity method	89,447	30,402
Net cash used in investing activities	<u>(510,602)</u>	<u>(116,557)</u>
Cash flows from financing activities:		
Increase in short-term loans	366,549	361,141
Decrease in short-term loans	(351,171)	(345,654)
Increase in long-term loans	200,000	120,000
Decrease in long-term loans	(8,000)	-
Increase in guaranteed deposits received	63	-
Lease principal repayment	(81,181)	(72,188)
Cash dividend distribution	(848,976)	(809,590)
Interest paid	(5,103)	(2,730)
Capital surplus due to donation from shareholders	1,106	1,166
Net cash used in financing activities	<u>(726,713)</u>	<u>(747,855)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>6,409</u>	<u>(3,306)</u>
Net (decrease) increase in cash and cash equivalents	<u>(39,722)</u>	<u>412,208</u>
Cash and cash equivalents at beginning of period	<u>2,448,970</u>	<u>2,036,762</u>
Cash and cash equivalents at end of period	<u>\$2,409,248</u>	<u>\$2,448,970</u>

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

TAIWAN SAKURA CORPORATION
2024 Earnings Appropriation Report

Unit: NT\$

Item	Amount
Beginning balance of undistributed earnings	\$1,620,420,931
2024 Re-measurement of net defined benefit plans after tax	8,974,079
2024 Net income after tax	1,300,674,080
Legal reserves for 2024 (10%)	(130,964,816)
Distributable net profit	2,799,104,274
Distributable items:	
Cash dividends (NT\$4.7 per share)	(1,039,269,584)
Ending balance of undistributed earnings	\$1,759,834,690

Note 1: The distribution of earnings shall be made with priority given to the surplus generated in fiscal year 2024.

Chairman:

General Manager:

Accounting Supervisor:

Yung-Chieh Chang

Hui-Hsun Lee

Hsiu-Chi Chan

TAIWAN SAKURA CORPORATION

Comparison Table for the “Articles of Incorporation” Before and After Revision

Before Amendment	After Amendment	Rationale
<p>Article 13: The Company shall have seven to eleven directors. The term of the Board of Directors shall be three years, and the directors may be eligible for re-election. The chairman of the board shall be elected from among the directors by a majority in a board meeting attended by over two-thirds of the directors. The same instruction may be applied for an election of the Company’s vice chairman. The chairman represents the Company to preside over all business.</p> <p>Among the aforementioned directors, the Company shall have at least three independent directors, and the number of the independent directors shall be no less than one-fifth of the total number of the directors. The directors shall be elected by adopting a candidate’s nomination system. The shareholders shall elect the directors from among the nominees listed in the roster of director candidates. The election of independent directors and non-independent directors shall be held together; provided, however, the number of independent directors and non-independent directors elected shall be calculated separately. The Company shall follow the governing regulations and rules regarding the professional qualifications, shareholdings, concurrent positions held, method of nomination and appointment and other matters for compliance with respect to independent directors prescribed by the competent authority.</p>	<p>The Company shall have seven to eleven directors. The term of the Board of Directors shall be three years, and the directors may be eligible for re-election. The chairman of the board shall be elected from among the directors by a majority in a board meeting attended by over two-thirds of the directors. The same instruction may be applied for an election of the Company’s vice chairman. The chairman represents the Company to preside over all business.</p> <p>Among the aforementioned directors, the Company shall have at least three independent directors, and the number of the independent directors shall be no less than one-third of the total number of the directors. <u>The total consecutive terms of independent directors shall not exceed three terms.</u> The directors shall be elected by adopting a candidate’s nomination system. The shareholders shall elect the directors from among the nominees listed in the roster of director candidates. The election of independent directors and non-independent directors shall be held together; provided, however, the number of independent directors and non-independent directors elected shall be calculated separately. The Company shall follow the governing regulations and rules regarding the professional qualifications, shareholdings, concurrent positions held, method of nomination and appointment and other matters for compliance with respect to independent directors prescribed by the competent authority.</p>	<p>Amended in accordance with Article 4 of the “Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board’s Exercise of Powers”.</p>
<p>Article 20 The earnings of the Company in a profitable fiscal year (pretax profit before distribution of employee and director compensation) shall be first reserved to cover the losses accumulated from previous years; 2% to 8% of the balance from the above shall be allocated as employee compensation, whereas not more than 5% shall be allocated as director compensation.</p> <p>The intended recipients of the <u>aforementioned</u> employee compensation shall include employees of parents or subsidiaries of the company who meet certain requirements; the board of directors is authorized to specify such requirements.</p> <p>Employee compensation is distributed in cash or stock; director compensation can only be distributed in cash. In terms of the distribution of employee and director compensation, a special resolution shall be adopted at the board meeting and submitted to the shareholders meeting.</p>	<p>Article 20 The earnings of the Company in a profitable fiscal year (pretax profit before distribution of employee and director compensation) shall be first reserved to cover the losses accumulated from previous years; 2% to 8% of the balance from the above shall be allocated as employee compensation, whereas not more than 5% shall be allocated as director compensation.</p> <p><u>The aforementioned employee compensation includes the compensation of grassroots employees, and the compensation allocated to frontline employees shall account for 30% to 80% of the total employee compensation.</u></p> <p>The intended recipients of employee compensation shall include employees of parents or subsidiaries of the company who meet certain requirements; the board of directors is authorized to specify such requirements. Employee compensation is distributed in cash or stock; director compensation can only be distributed in cash. In terms of the distribution of employee and director compensation, a special resolution shall be adopted at the board meeting and submitted to the shareholders meeting.</p>	<p>Amended in accordance with Paragraph 6, Article 14 of the “Securities and Exchange Act”.</p>
<p>Article 23 1. These Articles of Incorporation were enacted on 5 September 1988. 2. The 1st Amendment was on 11 October 1988. 3. The 2nd Amendment was on 16 December 1988. 4. The 3rd Amendment was on 20 April 1990. 5. The 4th Amendment was on 19 May 1990. 6. The 5th Amendment was on 18 May 1991. 7. The 6th Amendment was on 30 May 1992.</p>	<p>Article 23 1. These Articles of Incorporation were enacted on 5 September 1988. 2. The 1st Amendment was on 11 October 1988. 3. The 2nd Amendment was on 16 December 1988. 4. The 3rd Amendment was on 20 April 1990. 5. The 4th Amendment was on 19 May 1990. 6. The 5th Amendment was on 18 May 1991. 7. The 6th Amendment was on 30 May 1992.</p>	<p>Added the number of amendment and the date of amendment.</p>

Before Amendment	After Amendment	Rationale
<p>8. The 7th Amendment was on 15 April 1993. 9. The 8th Amendment was on 20 April 1994. 10. The 9th Amendment was on 24 May 1995. 11. The 10th Amendment was on 11 May 1996. 12. The 11th Amendment was on 5 May 1997. 13. The 12th Amendment was on 2 June 1998. 14. The 13th Amendment was on 21 June 2000. 15. The 14th Amendment was on 4 June 2002. 16. The 15th Amendment was on 27 April 2005. 17. The 16th Amendment was on 9 June 2010. 18. The 17th Amendment was on 4 June 2013. 19. The 18th Amendment was on 15 June 2015. 20. The 19th Amendment was on 13 June 2016. 21. The 20th Amendment was on 24 June 2019. 22. The 21st Amendment was on 23 June 2020. 23. The 22nd Amendment was on 17 June 2022.</p>	<p>8. The 7th Amendment was on 15 April 1993. 9. The 8th Amendment was on 20 April 1994. 10. The 9th Amendment was on 24 May 1995. 11. The 10th Amendment was on 11 May 1996. 12. The 11th Amendment was on 5 May 1997. 13. The 12th Amendment was on 2 June 1998. 14. The 13th Amendment was on 21 June 2000. 15. The 14th Amendment was on 4 June 2002. 16. The 15th Amendment was on 27 April 2005. 17. The 16th Amendment was on 9 June 2010. 18. The 17th Amendment was on 4 June 2013. 19. The 18th Amendment was on 15 June 2015. 20. The 19th Amendment was on 13 June 2016. 21. The 20th Amendment was on 24 June 2019. 22. The 21st Amendment was on 23 June 2020. 23. The 22nd Amendment was on 17 June 2022. 24. The 23rd Amendment was on 19 June 2025.</p>	

TAIWAN SAKURA CORPORATION
2025 Employee Restricted Stock Awards Rules

Article 1 Purpose

In order to attract and retain senior executives and key talents, and to align their compensation with shareholders' interests and the company's corporate governance performance, the Company hereby establishes these Employee Restricted Stock Awards Rules (these "Rules") in accordance with Article 267 of the Company Act and the Regulations Governing the Offering and Issuance of Securities by Securities Issuers (hereinafter referred to as the "Regulations") promulgated by the Financial Supervisory Commission.

Article 2 Issuance Period

The Employee Restricted Stock Awards will be granted one or more times over a period of two years from the date of receipt of the notice of effective registration of the competent authority. The Board of Directors may determine, or may authorize Chairman to determine, the actual issuance date and relevant matters.

Article 3 Eligibility and the number of shares employees may be granted

1. This incentive plan is applicable only to full-time managers of the Company or key personnel of the Company and its subsidiaries who are still employed on the grant date of the employee restricted stock and have achieved a certain level of performance. Eligible employees must:
 - (1) Employees who have a significant influence on the Company's or the Company's subsidiaries' operational decisions;
 - (2) Employees whose roles are highly relevant to the future strategies and developments of the Company or its subsidiaries.
2. The number of employee restricted stock awards allocated to eligible employees will be determined based on factors such as the Company's operational performance, years of service, position, performance evaluations, overall contribution, special achievements, annual duty adjustments, and other management considerations. The allocation principles will be formulated by the chairman and CEO and submitted to the board of directors for approval. Prior to submission, if the employee is a manager or a director serving concurrently as an employee, approval must be obtained from the Remuneration Committee. If the employee is not a manager, approval must be obtained from the Audit Committee.
3. The total number of employee restricted stock awards granted to any single employee, combined with the number of shares that such employee may subscribe for under employee stock warrants issued by the Company in accordance with Article 56-1, Paragraph 1 of the Regulations Governing the Offering and Issuance of Securities, shall not exceed 0.3% of the Company's total issued shares.. Furthermore, when combined with the number of shares that such employee may subscribe for under employee stock warrants issued pursuant to Article 56, Paragraph 1 of the Regulations shall not exceed 1% of the Company's total issued shares.
However, if special approval is obtained from the relevant central competent authority, the aforementioned limitations shall not apply to stock warrants and the total number of employee restricted stock awards granted to any single employee. In the event that the competent authority updates the relevant regulations, such matters shall be handled in accordance with the amended laws and regulations.

Article 4 Total Issuance Amount

The total issuance amount shall be NT\$15,000,000, with a par value of NT\$10 per share, for a total of 1,500,000 common shares to be issued.

Article 5 The terms and conditions for issuance of employee restrictions awards under the Rules and the restrictions imposed on the rights of such Shares

1. Issuance Price: free of charge.

2. Type of Shares Issued: Common shares of the Company.

3. Conditions for Grant:

- (1) Employees must meet the following conditions in order to acquire the employee restricted stock awards:
 - A. During each vesting period, the employee must not have violated the labor contract, work rules, non-compete agreement, confidentiality agreement, or any contractual agreements with the Company or its subsidiaries;
 - B. The employee must achieve the individual performance evaluation targets set by their respective company (i.e., the most recent annual performance evaluation at the end of the acquisition period must be at least "A" or above, or the performance evaluation from the subsidiary must meet the equivalent "A" or above level as per the Company's performance evaluation standards) and the Company's operational objectives;
 - C. After each performance period, including the company's annual operational targets, individual performance evaluation indicators, and strategic company goals, the employee must continue to serve at their respective company for a full year.

- (2) The conditions for acquisition are divided into the following two types based on the employee's position and role.
 - A. For qualified employees and managers, the acquisition period is three years, and the number of shares to be granted is determined as follows. The maximum percentage of shares that can be acquired on each acquisition date is as follows:
 - a. The maximum percentage of shares that can be acquired in 2026 is 30%;
 - b. The maximum percentage of shares that can be acquired in 2027 is 30%;
 - c. The maximum percentage of shares that can be acquired in 2028 is 40%.However, the actual percentage and number of shares that can be acquired must be recalculated based on the performance of the company in achieving its operational targets for each year during the performance period. The acquisition ratio is calculated as follows: $(\text{Indicator A performance achievement rate} \times 40\%) + (\text{Indicator B performance achievement rate} \times 50\%) + (\text{Indicator C performance achievement rate} \times 10\%)$. The company's operational targets are calculated across the three-year performance period starting from 2025, with the performance of 2023 as the baseline for comparison. The performance period for each year is calculated based on the compound annual growth rate (CAGR), with the first year being 2025, the second year 2026, and the third year being 2027, for a total of three performance periods
 - B. Among the abovementioned qualified managers, designated managers shall be granted additional shares on top of the number of shares specified in the preceding subparagraph. Strategic corporate goals for 2027 shall be set, with a one-year vesting period starting from that year. The actual percentage and number of shares to be vested shall be determined based on the achievement level of the company's strategic goals during the performance period, as approved by the Chairman, the Remuneration Committee, and the Board of Directors. The performance indicators for this item shall be evaluated independently in 2028, and if there is any overlap with other performance periods, the vesting calculation may adopt the most favorable result. The number of shares shall be calculated using interpolation, rounded to the nearest whole share, and any fraction of a share shall be discarded unconditionally.

(3) The Company evaluates performance based on three corporate operational targets: (A) revenue growth rate, (B) earnings per share (EPS) growth rate, and (C) corporate governance evaluation results. Target values and threshold values are established for both the revenue growth rate and EPS growth rate. The achievement of the target and threshold values for these two indicators shall be calculated by truncating any figures beyond the fourth decimal place. If the performance does not meet the threshold value, the vesting ratio for the relevant shares shall be 0%. If the performance meets the threshold value, the vesting ratio shall be 85%. If the performance meets the target value, the vesting ratio shall be 100%. For performance exceeding the target value, the vesting ratio may be increased, subject to a maximum of 135%, and must be approved by the chairman and the general manager, and subsequently submitted to the Remuneration Committee and the board of directors for approval. The determination of performance achievement levels shall be based on the company's consolidated financial statements for each performance period and the corresponding baseline period (with the corporate boundary defined in accordance with the reporting entity of the audit report of the consolidated financial statements for the issuance year). Unvested restricted employee shares shall be retained. If, in the third year of the performance period, the revenue growth rate or EPS growth rate exceeds the target value, the vesting ratio for the earlier years that did not meet the target may be adjusted upward to match the third year's vesting ratio. If the vesting conditions are still not met by the vesting date in the 2028, the Company shall reclaim and cancel the shares without compensation. Details of the performance indicators are as follows:

Indicator A.: Revenue growth rate

- a. Weight Allocation: 40%
- b. Measurement Method: Achievement of the compound CAGR in revenue.
- c. Calculation Method: The annual growth rate for each year shall be calculated based on the performance results of 2023 as the baseline for comparison.

	Target Value	Threshold Value
2025	The CAGR of annual revenue reaches 9.95% or above.	The CAGR of annual revenue reaches 9.40% or above.
2026	The CAGR of annual revenue reaches 9.29% or above.	The CAGR of annual revenue reaches 8.27% or above.
2027	The CAGR of annual revenue reaches 8.58% or above.	The CAGR of annual revenue reaches 7.87% or above.

Indicator B.: Earnings Per Share (EPS) Growth Rate

- a. Weight Allocation: 50%
- b. Measurement Method: Achievement of the compound CAGR of earnings per share (EPS).
- c. Calculation Method: The annual growth rate for each year shall be calculated based on the performance results of 2023 as the baseline for comparison.

	Target Value	Threshold Value
2025	The CAGR of EPS for the year reaches 5.46% or above.	The CAGR of EPS for the year reaches 4.39% or above.
2026	The CAGR of EPS for the year reaches 5.78% or above.	The CAGR of EPS for the year reaches 4.55% or above.
2027	The CAGR of EPS for the year reaches 6.48% or above.	The CAGR of EPS for the year reaches 5.19% or above.

- (4) The Company sets a threshold value based on the results of the corporate governance evaluation. If the threshold is not met, the vesting ratio shall be 0%; if the threshold is met, the vesting ratio shall be 100%. The determination of whether the performance indicators and standards have been achieved shall be based on the audited consolidated financial statements corresponding to each performance period. The relevant indicator is described as follows:

Indicator C.: Corporate Governance Evaluation Results

- a. Weight Allocation: 10%
- b. Measurement Method: Based on the the annual corporate governance evaluation results published by the Corporate Governance Center of the Taiwan Stock Exchange, the ranking of listed companies is disclosed as a percentage tier.

	Annual Threshold Value
2025	Listed companies with 36-50% (inclusive) or above.
2026	Listed companies with 36-50% (inclusive) or above.
2027	Listed companies with 36-50% (inclusive) or above/

- (5) The Company's qualified managers will set additional strategic goals. The Company will establish strategic goals for 2027 with individual managers, and the proportion of shares to be granted will be calculated based on the achievement rate of performance indicators. These will be approved by the chairman, the Remuneration Committee, and the board of directors. The determination of the achievement of performance indicators and levels will be based on the company's annual performance settlement results. The relevant indicators are explained as follows:

Indicator D. Company Strategic Goals

- a. Weight Allocation: 100%
- b. Measurement Method: The goal achievement rate of the most recent year upon the completion of the vesting period.
- c. Setting Method: The Company will individually agree with qualified managers on additional indicators related to corporate strategic performance, aiming to align the managers' management actions with the company's strategy, in order to enhance the overall operational performance of the company.

4. In the event that employees do not meet the vesting conditions or in cases of inheritance, the following provisions shall apply:

- (1) If an employee fails to meet the vesting conditions specified in Paragraph 3 of this Article, the Company shall reclaim the shares without compensation and proceed with their cancellation.
- (2) Voluntary Resignation / Dismissal / Termination / Non-renewal of Appointment Contract:
During the vesting period, if an employee voluntarily resigns, is dismissed, laid off, or does not renew their appointment contract upon its expiration, any unvested restricted stock granted to the employee shall be reclaimed by the company without compensation and canceled in accordance with the law.
- (3) Unpaid Leave:
The rights and obligations of unvested employee restricted stock awards shall remain unaffected during the unpaid leave period. However, the actual number of shares vested each year shall be calculated based on both the vesting conditions outlined in these regulations and the ratio of the employee's actual months of service during the corresponding performance target year.
If the employee is on unpaid leave on the vesting date, the performance target year shall be deemed as failing to meet the vesting conditions, and the unvested employee restricted stock awards shall be reclaimed by the company without compensation and canceled in accordance with the law.

- (4) Retirement:
Employees who meet the retirement conditions under the Labor Standards Act (old pension system) or the Labor Pension Act (new pension system) shall be entitled to vest the unvested employee restricted stock awards in the year of retirement or resignation, upon completion of necessary legal procedures and submission of relevant documentation. If, at the time of retirement or resignation, the achievement rates for the vesting indicators have not yet been determined, the vesting shall be calculated based on the assumption that the Company has met the threshold values for the following indicators: revenue growth rate, EPS growth rate, and corporate governance evaluation results. The employee's individual performance rating for the year of retirement shall be deemed as "Grade A." The actual number of vested shares shall be further calculated based on the ratio of the employee's actual months of service during the corresponding performance target year. Any unvested employee restricted stock awards for future years that have not met the vesting conditions shall be reclaimed by the company without compensation and canceled in accordance with applicable laws.
- (5) Occupational Injury, Disability, or Death; and General Death:
For unvested employee restricted stock awards in the year in which an occupational injury resulting in disability or death, or general death, occurs, such shares shall vest after the date of the incident. If, at the time of the incident, the achievement rates for the vesting indicators have not yet been determined, the calculation shall be based on the assumption that the Company has met the threshold values for revenue growth rate, EPS growth rate, and corporate governance evaluation results. Any unvested employee restricted stock awards for future years that have not met the vesting conditions shall be reclaimed by the company without compensation and canceled in accordance with the law. In the event of death, the heir(s) may apply to claim the inherited shares upon completion of the required legal procedures and submission of relevant supporting documents. In the case of occupational injury resulting in physical disability and the inability to continue employment, the employee shall still receive the shares to which they are entitled.
- (6) Voluntary Transfer:
If, during the vesting period, an employee voluntarily transfers to a subsidiary of the Company or to another company, such transfer shall be deemed as failure to meet the vesting conditions as of the effective date of the transfer. Any unvested employee restricted stock awards shall be reclaimed by the Company without compensation and canceled in accordance with the law.
- (7) Assigned Transfer:
In cases where an employee is reassigned to the company, its subsidiaries, or another company due to operational needs, and such reassignment is designated by the company or its subsidiaries, the Chairman and the President are authorized to individually determine the proportion of shares that may be vested based on the actual circumstances. On each vesting date, the employee must continue to serve in the assigned position within the Company, its subsidiaries, or the designated company. Otherwise, it shall be deemed that the vesting conditions have not been met, and any unvested employee restricted stock awards shall be reclaimed by the Company without compensation and canceled in accordance with the law.
- (8) If an employee voluntarily submits a written statement to the company declaring their intention to waive the granted employee restricted stock awards, the company shall reclaim such shares without compensation and proceed with their cancellation in accordance with the law.
- (9) If an employee is found to have violated any contract entered into with the Company or its subsidiaries, or breached the Company's or its subsidiaries' work rules or regulations after being granted employee restricted stock awards, the Company shall reclaim the granted shares without compensation and proceed with their cancellation.
- (10) If an employee terminates or revokes the authorization for the Company's trust/deposit account related to the restricted stock awards, the Company shall reclaim the unvested employee restricted stock awards without compensation and proceed with their cancellation.

(11) Exceptions for Special Circumstances:

- A. For employees and managers of the Company, any exceptions to the above circumstances shall be subject to approval by the chairman, general manager, Remuneration Committee, and board of directors.

5. Rights Restricted Before Meeting Vesting Conditions After Allocation of New Shares:

- (1) After the issuance of employee restricted stock awards, they shall immediately be placed in trust/deposit. Until the vesting conditions are met, the employee shall not, for any reason or in any manner, request the trustee to return the employee restricted stock awards.
- (2) Before the vesting conditions are met, the employee shall not, except in the case of inheritance, sell, pledge, transfer, gift, encumber, or dispose of the employee restricted stock awards in any other manner
- (3) Except for the aforementioned restrictions, the employee's rights to the employee restricted stock awards allocated under these regulations, prior to meeting the vesting conditions, shall include, but are not limited to, the rights to dividends, bonuses, capital reserve distribution, and subscription rights for cash capital increase. These rights shall be the same as those of the company's issued common shares, and the relevant procedures shall be carried out according to the trust/deposit agreement.
- (4) Before the vesting conditions are met, the employee's rights to attend, propose, speak, vote at the company's shareholder meetings, and other shareholder-related rights shall be exercised by the trust/deposit institution on behalf of the employee.
- (5) If, during the vesting period, the company conducts a capital reduction, such as a cash reduction that is not due to statutory reasons, the employee restricted stock awards shall be canceled according to the reduction ratio. In the case of a cash capital reduction, the refunded cash shall be placed in trust/deposit and may only be delivered to the employee once the vesting conditions are met. However, if the vesting conditions are not met, the Company shall reclaim such cash.
- (6) If, during the vesting period, the Company conducts a capital increase, such as a cash capital increase that is not due to statutory reasons, the rights and obligations related to the employee restricted stock awards shall remain unaffected.

6. Handling of Mergers and Acquisitions:

The rights and obligations related to the unvested employee restricted stock awards shall remain unaffected, or may be modified as stipulated in the relevant merger or acquisition agreements or plans.

7. Other Agreements:

During the period in which the employee restricted stock awards is held in trust/deposit, the Company shall have full authority to represent the employee in dealings with the trust/deposit institution. This includes, but is not limited to, negotiating, signing, amending, extending, rescinding, or terminating the trust/deposit agreement, as well as providing instructions regarding the delivery, use, and disposal of the trust/deposit assets.

Article 6 Signing and Confidentiality

1. Employees who are granted employee restricted stock awards must sign the “Employee Restricted Stock Awards Receipt Agreement” provided by the Company and complete the relevant trust/deposit procedures. If the employee fails to sign the required documents as stipulated, it will be regarded as a waiver of the employee restricted stock awards.
2. Any owner of employee restricted stock awards and related rights obtained under these regulations must comply with the provisions of this policy and the “Employee Restricted Stock Awards Receipt Agreement.” Violators will be deemed as not having met the vesting conditions. Additionally, they must adhere to confidentiality requirements. Unless required by law or regulatory authorities, they must not inquire about or disclose the quantity and details of the granted employee restricted stock awards or share the content related to this case and their personal interests with others. In the event of a violation, the Company has the right to reclaim and cancel the unvested employee restricted stock awards without compensation.

Article 7 Taxes

The taxes related to the employee restricted stock awards granted under the Regulations shall be handled in accordance with the laws and regulations of R.O.C. and the country where the employee resides at the time.

Article 8 Other Important Matters

1. This policy must be approved by the board of directors with at least two-thirds of the directors present and more than half of the attending directors consenting. It shall be submitted to the competent authority for filing and come into effect thereafter. If amendments are required due to changes in laws or requests from regulatory authorities, the chairman is authorized to revise this policy. The revised policy shall be submitted to the board of directors for ratification before it can be implemented.
2. Any matters not addressed by this policy shall be handled in accordance with relevant laws and regulations.

Attachment 7

TAIWAN SAKURA CORPORATION
Nominee List for Board of Directors (Including Independent Directors)

Category	Candidates	Education	Experience	Shareholding
Director	UNJ Holding Corporation Representative: Yung-Chieh Chang	International Relations BA, The University of Southern California (USC)	Chairman/Sakura Bath and Kitchen Products (China) Co., Ltd.	4,701,000
Director	UNJ Holding Corporation Representative: Gen-Cheng Wu	Department of Journalism, Chinese Culture University	Chairman/SysJust Media Corporation Senior Deputy General Manager/ Want Want ChinaTimes Media Group President/China Times Chairman/China Television Company, Ltd. Chairman/China Times Weekly General Manager/Info-times	4,701,000
Director	Ko Li Te Investment Co., Ltd. Representative: Yuo-Tu Lin	Private Nanshan Senior High School	Deputy General Manager/ Marketing and Management Department, Taiwan Sakura Corporation General Manager/Taiwan Sakura Corporation Vice Chairman/Taiwan Sakura Corporation	13,268,176
Director	Ko Li Te Investment Co., Ltd. Representative: Ching-Wen Chang	Department of Business Management, The University of Southern California (USC)	Managing director/Management Planning Division, Sakura Bath and Kitchen Products (China) Co., Ltd.	13,268,176
Director	Svago International Corporation Representative: Hui-Hsun Lee	Department of Business Administration, Chung Yuan Christian University	Manager, Consumer Product Business Division, Yuen Foong Yu Paper Mfg. Co., Ltd. Director General/ Sales Management Division, Taiwan Sakura Corporation Vice President/Management Planning Division, Taiwan Sakura General Manager/Taiwan Sakura Corporation	2,312,932

Category	Candidates	Education	Experience	Shareholding
Director	Svago International Corporation Representative: Yih-Yuan Hsu	Master of Engineering, Department of Chemical Engineering, National Taiwan University of Science and Technology	Factory Director/Ichia Technologies, Inc. QC/QA Supervisor/Ford Lio Ho Motor Co., Ltd. Vice President/ Manufacturing Management Division and Research & Development Cente, Taiwan Sakura Corporation	2,312,932
Independent Director	Ming-Yuan Jheng	Ph.D., Department of Business Administration, National Chung Cheng University	Chairman/Sunko Ink Co. Ltd. Supervisor/Tsang Yow Industrial Co., Ltd. Supervisor/Kuo Ching Chemical Co., Ltd. Deputy General Manager/IBT Securities Co., Ltd. Manager/HSBC Global Asset Management (Taiwan) Limited Lecturer, Department of Finance and Insurance, Shu-Te University of Science and Technology	0
Independent Director	Chi-Wei Lin	The Department of Accountancy, National Cheng Kung University	CPA and Partner, Diwan & Company(now Ernst & Young)	0
Independent Director	Chin-Shan Huang	Master of Management, Cambridge Institute of Management, Boston, USA	Deputy General Manager/Fu Ying Metal Co., Ltd. General Manager/Thunder Tiger Corp. Chairman/Three Win Management Consulting Corp.	0

TAIWAN SAKURA CORPORATION
Articles of Incorporation

Amended by the Shareholders Meeting on 17 June 2022

Chapter I General Provisions

Article 1: The Company is organized under the Company Act as a Company limited by shares and shall be named TAIWAN SAKURA CORPORATION (hereinafter “the Company”).

Article 2: The Company’s scope of business is as follows:

1. CR01010 Fuel Gas Equipment, Materials and Parts Manufacturing
2. E603130 Gas Water Heater Installation
3. E502010 Fuel Pipe Construction
4. F105050 Wholesale of Furniture, Bedclothes Kitchen Equipment and Fixtures
5. F205040 Retail sale of Furniture, Bedclothes, Kitchen Equipment and Fixtures
6. E801070 Kitchen and Bath Facilities Construction
7. F401010 International Trade
8. F113020 Wholesale of Household Appliance
9. F213010 Retail Sale of Household Appliance
10. E601020 Electric Appliance Installation
11. F106040 Wholesale of Water Containers
12. F206040 Retail Sale of Water Containers
13. F111090 Wholesale of Building Materials
14. F211010 Retail Sale of Building Materials
15. F106020 Wholesale of Articles for Daily Use
16. F206020 Retail Sale of Articles for Daily Use
17. F106010 Wholesale of Ironware
18. F206010 Retail Sale of Ironware
19. CP01010 Hand Tool Manufacturing
20. CN01010 Furniture and Fixtures Manufacturing
21. F213990 Retail Sale of Other Machinery and Equipment
22. F113990 Wholesale of Other Machinery and Equipment
23. E604010 Machinery Installation Construction
24. CD01050 Bicycles and Parts Manufacturing
25. F114040 Wholesale of Bicycle Parts and Supplies
26. F214040 Retail Sale of Bicycles and Parts
27. C901010 Pottery and Ceramics Products Manufacturing
28. C901020 Glass and glass made products Manufacturing
29. CA01100 Aluminum material Rolls over Extends and Crowding
30. CA01130 Copper Material Rolls over Extends and Crowding
31. CA01050 Iron and Steel Rolling, Drawing, and Extruding
32. CA01090 Aluminum Casting Manufacturing
33. CA04010 Metal Surface Treating
34. CA02060 Metal Containers Manufacturing
35. CA02990 Other Fabricated Metal Products Manufacturing Not Elsewhere Classified
36. CH01010 Sporting and Athletic Articles Manufacturing
37. F109070 Wholesale of Stationery Articles, Musical Instruments and Educational Entertainment Articles
38. F209060 Retail sale of Stationery Articles, Musical Instruments and Educational Entertainment Articles
39. CC01030 Electric Appliance and Audiovisual Electric Products Manufacturing
40. E801030 Interior Light Rigid Frame Construction
41. E605010 Computing Equipment Installation Construction
42. F301020 Supermarkets
43. F399040 Retail Business Without Shop
44. F399990 Retail sale of Others
45. J303010 Magazine and Periodical Publication
46. CC01101 Restrained Telecom Radio Frequency Equipment and Materials Manufacturing
47. F401021 Restrained Telecom Radio Frequency Equipment and Materials Import
48. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3:

The Company is headquartered in Taichung City, Taiwan and when necessary may establish branches or subsidiaries at home or abroad.

Article 3-1

The Company may, in accordance with its business requirements, engage in re-investments and is not subject to the restriction as prescribed by Article 13 of the Company Act.

Article 4

Public announcements of the Company shall be made in accordance with Article 28 of the Company Act.

Chapter II Shares

Article 5

The authorized capital of the Company is NT\$4.4 billion, consisting of 440 million shares, with a par value of NT\$10 per share, of which NT\$500 million, 50 million shares in total, are reserved for stock options with warrants, preferred shares with warrants, or corporate bonds for the exercise of stock options; the Board of Directors is authorized to issue such reserved stock in separate installments. Unissued shares may be issued by the Board of Directors in installments if deemed necessary.

Article 5-1

The intended recipients of employee stock options, employee subscription of new shares, new employee restricted stock awards and treasury stock transferred to employees shall include employees of parents or subsidiaries of the company who meet certain requirements; the Board of Directors is authorized to specify such requirements.

Article 6

The Company's share certificates shall be registered and affixed with the seals or by the signature of the board of directors who represent the Company and issued after duly certified or authenticated by the competent authority or a certifying institution appointed by the competent authority.

Article 6-1

The Company may issue shares without printing share certificates after registering by the centralized securities depository enterprise.

Article 7

Share transfer or name-change registration shall be suspended 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.

Article 7-1

Shareholders shall provide their seal specimens to the Company for record-keeping purpose. The same instruction shall be applied when shareholders change their aforementioned information. Shareholders shall present the same seals as kept in the Company's records when exercising all rights. All transfer of stocks, pledge of rights, loss, succession, gift, loss of seal, amendment of seal, change of address or similar stock transaction conducted by shareholders of the Company shall follow the "Guidelines for Stock Operations for Public Companies" unless specified otherwise by law and securities regulations.

Chapter III Shareholders' Meeting

Article 8

The two types of the shareholders' meetings of the Company include the general shareholders' meeting and special shareholders' meeting. The general meeting shall be held once a year within 6 months after the end of each fiscal year. A notice to convene a regular meeting of shareholders shall be given to each shareholder no later than 30 days prior to the scheduled meeting date. The special meeting shall be convened whenever necessarily in accordance with the relevant laws and regulations, where a meeting notice shall be given to each shareholder no later than 15 days prior to the scheduled meeting date.

The purpose(s), date and venue for convening any such meeting shall be clearly stated in the meeting notices sent out to the shareholders. The Board of Directors shall convene the meetings in the first paragraph unless specified otherwise by the Company Act.

Article 8-1

In case a shareholders' meeting is proceeded via visual communication network, the shareholders taking part in such a visual communication meeting shall be deemed to have attended the meeting in person. For the preceding two paragraphs, shall abide by the regulations of competent authority in charge of securities affairs.

Article 9

If a shareholder is unable to attend a shareholders' meeting for causes, he may appoint a proxy to attend a shareholders' meeting on his behalf by executing a power of attorney affixed with the seals, signed, and printed by the Company specifying therein the scope of the power authorized to a proxy. In addition to Article 177 of the Company Act, the rules for appointing proxies to attend a shareholders' meeting shall be prescribed in accordance with the "Rules Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" promulgated by the competent authority.

Article 10

Unless otherwise specified by law, each shareholder is entitled to one vote for each share held.

Article 11

Except as provided in the Company Act, the resolutions shall be adopted by majority of the votes at the shareholders' meeting attended by shareholders representing more than half of the total issued outstanding capital stock of the Company. According to regulatory requirements, shareholders may also vote via an electronic voting system, and those who do shall be deemed as attending the shareholders' meeting in person; electronic voting shall be conducted in accordance with the relevant laws and regulations.

Article 12

Unless otherwise provided by law or regulation, this Company's shareholders' meetings shall be convened by the board of directors. The chairman of the board shall preside at the shareholders' meeting. In case of the chairman's absence, the chairman shall designate one of the directors to act on him/her behalf. If there is no such designation, the directors shall elect one from among themselves as the chairman in the shareholders' meeting.

For a shareholders' meeting convened by any other person having the convening right who is not a director, the chairman of the meeting shall be appointed in accordance with the provisions of Article 182-1 of the Company Act.

Chapter IV Directors and Functional Committee

Article 13

The Company shall have seven to eleven directors. The term of the Board of Directors shall be three years, and the directors may be eligible for re-election. The chairman of the board shall be elected from among the directors by a majority in a board meeting attended by over two-thirds of the directors. The same instruction may be applied for an election of the Company's vice chairman. The chairman represents the Company to preside over all business.

Among the aforementioned directors, the Company shall have at least three independent directors, and the number of the independent directors shall be no less than one-fifth of the total number of the directors. The directors shall be elected by adopting a candidate's nomination system. The shareholders shall elect the directors from among the nominees listed in the roster of director candidates. The election of independent directors and non-independent directors shall be held together; provided, however, the number of independent directors and non-independent directors elected shall be calculated separately. The Company shall follow the governing regulations and rules regarding the professional qualifications, shareholdings, concurrent positions held, method of nomination and appointment and other matters for compliance with respect to independent directors prescribed by the competent authority.

Article 13-1

The total amount of registered shares held by all of the directors of the Company shall be determined pursuant to the standards specified by the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies by the competent authority.

Article 13-2

The Company shall establish an Audit Committee pursuant to Article 14-4 of the Securities and Exchange Act. The Audit Committee shall be composed of the entire number of independent directors, responsible for exercising the powers of the supervisors prescribed by Company Act and the Securities and Exchange Act or other related regulation.

Matters concerning the number, term of office, powers, rules of procedure for meetings, and resources to be provided by this Company when the Audit Committee ("the Committee") exercises its powers shall be specified in accordance with the "Organization Rules of the Audit Committee" of the Company.

Article 13-3

The Company may set up other functional committees; the organization rules of such committees shall be specified by the board of directors in accordance with relevant regulations.

Article 14

The board meeting shall be organized by directors; unless otherwise specified by the Company Act, a resolution shall be adopted by majority of the votes at the board meeting attended by over one-half of the directors.

If a board meeting is held in the form of a video conference, the directors who participate in the video conference shall be deemed to have attended the meeting in person.

To convene a board meeting, a meeting notice which specifies the purposes of meeting shall be sent to the directors no later than 7 days before the scheduled date.

In case of an emergency, a board meeting may be convened at any time. The notice to convene a board meeting shall be in writing, via email or fax.

Article 15

The Chairman of the Board of Directors shall preside the board meeting. In case the Chairman of the board of directors is on leave or absent or cannot exercise his power and authority for any cause, the meeting will be conducted pursuant to Article 208 of the Company Act.

Article 16

A director may appoint another director to attend on his behalf any meeting of the board of Directors by executing a power of attorney specifying therein the scope of the power authorized to the proxy each time. No director may act as proxy for more than one other director.

Article 17

The board of directors is authorized to determine the remuneration for the directors, taking into account the ordinary standards of the industry. The remuneration for the chairman and the vice chairman are 150% and 100% as much as that of the Company's general manager, respectively; The remuneration for other directors may be equal to that of the manage level. The remuneration will be paid regardless of the profit or loss.

The Company may take out liability insurance for all the directors; the board of directors is authorized to determine the specifics of such insurance.

Chapter V Managers

Article 18

The Company shall have the General Manager and managers whose appointment, dismissal and remuneration shall be governed according to resolutions adopted by majority of the votes at the board meeting attended by over one-half of the directors, pursuant to Article 29 of the Company Act..

Chapter VI Accounting

Article 19

The fiscal year for the Company shall be from 1 January of each year to 31 December of the same year. After the close of each fiscal year, the following reports shall be prepared by the board of directors and submitted to the regular shareholders' meeting for acceptance: (1) Business Report; (2) Financial Statements; (3) Proposal Concerning Distribution of Earnings or Covering of Deficit.

Article 20

The earnings of the Company in a profitable fiscal year (pretax profit before distribution of employee and director compensation) shall be first reserved to cover the losses accumulated from previous years; 2% to 8% of the balance from the above shall be allocated as employee compensation, whereas not more than 5% shall be allocated as director compensation.

The intended recipients of the aforementioned employee compensation shall include employees of parents or subsidiaries of the company who meet certain requirements; the board of directors is authorized to specify such requirements.

Employee compensation is distributed in cash or stock; director compensation can only be distributed in cash. In terms of the distribution of employee and director compensation, a special resolution shall be adopted at the board meeting and submitted to the shareholders meeting.

Article 20-1

When allocating the net profits of each fiscal year, the Company should first pay the taxes and make up the losses in previous years, then set aside 10% of the rest after paying tax and making up loss as a legal capital reserve until the accumulated legal capital reserve has equaled the total capital of the Company, and then set aside or reverse the special capital reserve in accordance with relevant regulations by the competent authorities. After legal and special capital reservations, the total remaining earnings after considering the accumulated retained earnings from previous year available will be allocated for distributing dividends by the board of directors; when it is distributed by issuing new shares, the board of directors shall propose the distribution for approval of shareholders' meeting.

In terms of distribution of dividends and bonus, the Company authorizes the Board of Directors to distribute the legal capital reserve and the following capital reserve, in whole or in part, in accordance with the regulation; while distributing dividends or bonus in the form of cash, the resolution shall be adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors and submitted to the shareholders' meeting.

Article 20-2

The Company's products are diversified, and it is difficult to distinguish its growth stage. There will still be significant investment and financial improvement plans in the next few years. However, when the Company obtains sufficient funds externally to pay significant annual capital expenditures, it will allocate at least 10% of the distributable earnings each year to distribute dividends to shareholders in the form of stocks and at least issue 30% of the shareholder dividends by cash dividend.

Chapter VII Supplemental Provisions

Article 21

The Company may act as a guarantor for the peers in the industry.

Article 22

In regard to all matters not provided in these Articles of Incorporation, the Company Act or other related regulations shall govern.

Article 23

1. These Articles of Incorporation were enacted on 5 September 1988.
2. The 1st Amendment was on 11 October 1988.
3. The 2nd Amendment was on 16 December 1988.
4. The 3rd Amendment was on 20 April 1990.
5. The 4th Amendment was on 19 May 1990.
6. The 5th Amendment was on 18 May 1991.
7. The 6th Amendment was on 30 May 1992.
8. The 7th Amendment was on 15 April 1993.
9. The 8th Amendment was on 20 April 1994.
10. The 9th Amendment was on 24 May 1995.
11. The 10th Amendment was on 11 May 1996.
12. The 11th Amendment was on 5 May 1997.
13. The 12th Amendment was on 2 June 1998.
14. The 13th Amendment was on 21 June 2000.
15. The 14th Amendment was on 4 June 2002.
16. The 15th Amendment was on 27 April 2005.
17. The 16th Amendment was on 9 June 2010.
18. The 17th Amendment was on 4 June 2013.
19. The 18th Amendment was on 15 June 2015.
20. The 19th Amendment was on 13 June 2016.
21. The 20th Amendment was on 24 June 2019.
22. The 21st Amendment was on 23 June 2020.
23. The 22nd Amendment was on 17 June 2022.

TAIWAN SAKURA CORPORATION
Rules and Procedures of Shareholders' Meetings

Amended by the Shareholders' Meeting on 19 June 2024

Article 1

The Company's shareholders' meeting shall be conducted in accordance with Rules and Procedures of Shareholders' Meetings. For matters not provided in these rules and procedures, the Company Act and the Articles of Incorporation of the Company shall govern.

Article 2

The attending shareholders (or the representative) shall hand in a sign-in card in lieu of signing in. The number of shares in attendance shall be calculated accordingly, plus the number of shares whose voting rights are exercised on paper or digitally.

Article 2-1

Attendance and votes at a shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

A shareholder may appoint a proxy to attend a shareholders' meeting on his behalf by executing a power of attorney specifying therein the scope of the power authorized to a proxy.

No shareholder may act as proxy for more than one other shareholder, executing one power of attorney, which shall be delivered to the Company no later than 5 days prior to the scheduled meeting date. If more than one power of attorney is delivered, the first one is adopted, unless withdrawn by a statement.

After the service of the power of attorney of a proxy to the Company, in case the shareholder issuing the said proxy intends to attend the shareholders' meeting in person or to exercise his/her/its voting power in writing or by way of electronic transmission, a proxy rescission notice shall be filed with the Company two days prior to the date of the shareholders' meeting as scheduled in the shareholders' meeting notice so as to rescind the proxy at issue, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.

After the delivery of the power of attorney, a shareholder who would like to attend the shareholders' meeting in person or exercise the voting right on paper or digitally shall send a notice to the Company to withdraw the power of attorney no later than 2 days prior to the scheduled meeting date on paper. If the notice is overdue, the voting right shall be exercised in accordance with the power of attorney.

Article 2-2

The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

The restrictions on the venue of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.

Article 2-3

To convene a virtual shareholders meeting, the Company shall include the follow particulars in the shareholders meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
 - (1) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
 - (2) Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
 - (3) In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
 - (4) Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.
3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified. Except in the circumstances set out in Article 44-9, paragraph 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the shareholders shall at least be provided with connection facilities and necessary assistance, and the period during which shareholders may apply to the company and other related matters requiring attention shall be specified.

Article 3

The chair shall call the meeting to order at the appointed meeting time and shall announce at the same time the number of nonvoting share, the number of shares present and the related information. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1, Article 175 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Company in accordance with the rules.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 4

The shareholders' meeting of the Company shall be convened by the board of directors, unless otherwise specified by laws and regulations.

Convening of a virtual-only shareholders' meeting shall require a resolution adopted by a majority vote at a meeting of the board of directors attended by at least two-thirds of the total number of directors.

Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.

The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a regular shareholders' meeting or 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS 21 days before the date of the regular shareholders' meeting or 15 days before the date of the special shareholders' meeting. In addition, 15 days before the date of the shareholders' meeting, the Company shall also have the shareholders' meeting agenda and supplemental meeting materials prepared for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place. The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:

- (1) For physical shareholders meetings, to be distributed on-site at the meeting.
- (2) For virtual-assisted shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
- (3) For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors, amendments to the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, Paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company a written proposal for discussion at a regular shareholders' meeting.

Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances any subparagraph of Paragraph 4, Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present

in person or by proxy at the regular shareholders' meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to this article. At the shareholders meeting the Board of Directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting. The preceding paragraph applies mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the board of directors.

Unless otherwise resolved at the shareholders' meeting, the chair may not announce adjournment of the meeting unless the scheduled agenda items (including extraordinary motions) set forth in the preceding provisions of this Article are concluded. After the meeting is adjourned, shareholders may not separately elect a chair and resume the meeting at the original or another venue; if the chair declares the meeting adjourned in violation of the rules and procedures, the attending shareholders may elect a new chair by agreement of a majority of the votes represented by the attending shareholders, and then resume the meeting.

Article 4-1

If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chair, the vice chairman shall act in place of the chairman; if there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one of the directors to act as chairman. Where the chairman does not make such a designation, the directors shall select from among themselves one person to serve as the chair.

When a director serves as chair, as referred to in the preceding paragraph, the director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders' meetings convened by the Board of Directors be chaired by the chairman of the board in person and attended by a majority of the directors and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders' meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting.

Article 4-2

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.

Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

Article 4-3

The Company, from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures; the recorded materials shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

Article 5

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

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

Article 6

A single speech of an attending shareholder may not exceed 5 minutes.

If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

Article 7

A shareholder may not speak more than twice on the same proposal.

Article 7-1

When a juristic person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.

When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives can speak for each discussion item.

Article 7-2

After an attending shareholder has spoken, the chair may respond in person or appoint relevant personnel to respond.

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in Paragraphs 5 to 7 do not apply.

Article 7-3

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 for a vote.

Article 7-4

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair and that all monitoring personnel shall be shareholders of the Company.

Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting and recorded.

Article 7-5

When the Company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When the Company convenes a virtual shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with the rules decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article 8

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extempore motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within 5 days pursuant to Article 182 of the Company Act.

Article 9

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

In a shareholders' meeting, voting rights shall be exercised digitally and may be exercised on paper. When voting rights are exercised on paper or digitally, the procedure of exercising voting rights should be stated on the convening notice of the meeting. If exercising voting rights on paper or digitally, a shareholder is deemed present, but the voting rights to the motions and to the amendments of original proposals are waived at the meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights on paper or digitally under the preceding paragraph shall deliver a written declaration of intent to the Company 2 days before the date of the shareholders' meeting.

When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent. After a shareholder has exercised voting rights on paper or digitally, in the event the shareholder intends to attend the shareholders' meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, 2 days before the date of the shareholders' meeting. If the notice of retraction is overdue, the voting rights already exercised on paper or digitally shall prevail.

When a shareholder has exercised voting rights both on paper or digitally and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail. Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.

At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

Article 9-1

When there is an amendment or an alternative 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. When any one among them is passed, the other proposals will then be deemed as rejected, and no further voting shall be required.

Article 9-2

The chair may call the disciplinary officers (or security guards) to assist in keeping order of the meeting place. Such disciplinary officers (or security guards) shall wear badges marked "Disciplinary Officers" for identification purpose.

Article 10

The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the names of those who are not elected and the number of votes they receive.

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 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 11

Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of the Company.

Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

Article 12

On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During the Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 13

In the event of a virtual shareholders meeting, this Corporation shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 14

When the Company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article 15

In the event of a virtual shareholders meeting, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the first paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders meeting held under the first paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors.

When the Company convenes a virtual shareholders meeting, and the virtual meeting cannot continue as described in first paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the first paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

When postponing or resuming a meeting according to the first paragraph, the Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, Paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, Paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, Paragraph 2, Article 44-15, and Article 44-17, Paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the first paragraph.

Article 16

When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online. Except in the circumstances set out in Article 44-9, paragraph 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the shareholders shall at least be provided with connection facilities and necessary assistance, and the period during which shareholders may apply to the company and other related matters requiring attention shall be specified.

Article 17

These Rules and Procedures, and any amendments hereto, shall be implemented after adoption by shareholders' meetings.

TAIWAN SAKURA CORPORATION

Procedures for Election of Directors

Amended by the Shareholders' Meeting on 26 August 2021

Article 1 Purpose

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/TPEX Listed Companies.

Article 2 Scope

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 Responsibilities

Article 3.1

The Ministry of Finance is the responsible unit for the formulation and amendment of these Regulations.

Article 4 Definition

Omitted.

Article 5 Flowchart

Omitted.

Article 6 Operating Procedures

Article 6.1

The election of the Company's directors shall be conducted at the shareholders' meeting. 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, whereby shareholders shall elect directors from the list of nominated candidates. The election of independent directors and non-independent directors shall be held concurrently, with the number of elected positions calculated separately.

Article 6.2

The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors 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 6.3

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. Shareholders may choose to exercise their voting rights either by on-site voting or electronic voting.

Shareholders who exercise their voting rights via electronic voting shall do so through the electronic voting platform designated by the Company.

Article 6.4

The Company's directors shall be elected by shareholders from the list of director candidates. Based on the number of seats specified in the Company's Articles of Incorporation, voting rights for independent and non-independent directors shall be calculated separately. Candidates receiving a higher number of voting rights shall be elected in order. In the event that two or more candidates receive an equal number of votes and the number exceeds the specified quota, the successful candidates shall be determined by drawing lots. For those not present, the Chairman shall draw lots on their behalf.

Article 6.5

Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 6.6

(Deleted)

Article 6.7

A ballot is invalid under any of the following circumstances:

Article 6.7.1

The ballot was not prepared by a person with the right to convene.

Article 6.7.2

A blank ballot is placed in the ballot box.

Article 6.7.3

The writing is unclear and indecipherable or has been altered.

Article 6.7.4

The candidate whose name is entered in the ballot does not conform to the director candidate list.

Article 6.7.5

Other words or marks are entered in addition to the number of voting rights allotted.

Article 6.8

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. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 6.9

The board of directors of this Corporation shall issue notifications to the persons elected as directors.

Article 6.10

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

Article 7 Relevant Documents

Omitted.

Article 8 Attachments

Omitted.

Article 9 Control Point

Omitted.

TAIWAN SAKURA CORPORATION

Shareholdings of All Directors (Current Articles)

As of 21 April 2025

Title	Name	Current Shareholding Structure		
		Type	Shares	%
Chairman	UNJ Holding Corporation Representative: Yung-Chieh Chang	Ordinary	4,701,000	2.13%
Director	UNJ Holding Corporation Representative: Gen-Cheng Wu	Ordinary		
Director	Yuo-Tu Lin	Ordinary	1,654,301	0.75%
Director	Svago International Corporation Representative: Wen-Su Tsai	Ordinary	2,312,932	1.05%
Director	Svago International Corporation Representative: Hui-Hsun Lee	Ordinary		
Director	Ko Li Te Investment Co., Ltd. Representative: Ching-Wen Chang	Ordinary	13,268,176	6.00%
Independent Director	Yu-Cheng Chen	Ordinary	0	0.00%
Independent Director	Jyh-Ren Chen	Ordinary	0	0.00%
Independent Director	Ming-Yuan Jheng	Ordinary	0	0.00%
Total of shares held by all directors and the percentage of shares			21,936,409	9.92%

Note 1: Total shares issued: 221,121,188 common shares.

Note 2: According to Article 26 of the Securities and Exchange Act and Article 2 of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the minimum number of shares that all directors must hold is as follows:

Minimum number of shares that all directors must hold by law: 12,000,000 shares

Note 3: As the Company has established the Audit Committee, the minimum shareholding requirements for supervisors do not apply.

Note 4: The number of shares held by all directors met the statutory requirements.