

Stock Code: 9911

TAIWAN SAKURA CORPORATION

2025 Annual Report

Printed on April 10, 2026

Taiwan Stock Exchange Market Observation Post System: <https://mops.twse.com.tw>
The 2025 Annual Report is available at: <https://www.sakura.com.tw>

- I. Spokesperson
 Name: Chiu-Yu Lee
 Title: Senior Manager
 Tel: +886-4-2566-6106 Ext. 529
 Email: 1005670@sakura.com.tw
- II. Deputy Spokesperson
 Name: Hsiu-Chi Chan
 Title: Senior Manager
 Tel: +886-4-2566-6106 Ext. 828
 Email: e0100@sakura.com.tw
- III. Head Office, Factory Addresses and Telephone Numbers
- | | | |
|----------------------------|------------------------------------------------------------------------------|------------------|
| Head Administration Office | No. 436, Sec. 4, Yatan Road, Daya District,
Taichung City 428 | +886-4-2566-6106 |
| Daya Plant 2 | No. 303, Sec. 4, Yatan Road, Daya District,
Taichung City 428 | +886-4-2568-1277 |
| Shengang Plant | No. 3 and No. 5, Lane 61, Dafu Road, Shengang
District, Taichung City 429 | +886-4-2524-3146 |
| Wuri Plant | No. 9, Futai Street, Xiba Village, Wuri District,
Taichung City 414 | +886-4-2333-5316 |
| Wuri Plant 2 | No. 557, Wufu Road, Wufu Village, Wufeng
District, Taichung City 413 | +886-4-2333-4214 |
| Taipei Sales Office | 6F., No. 303, Xinhua 1st Road, Neihu District,
Taipei City | +886-2-6601-6000 |
| Taoyuan Sales Office | No. 165, Sec. 1, Gong 2nd Road, Longtan
District, Taoyuan City 325 | +886-3-439-7466 |
| Tainan Office | 1F., No. 95, Sec. 3, Zhonghua E. Road, East
District, Tainan City 701 | +886-6-289-8158 |
| Kaohsiung Sales Office | No. 22, Meishu E. 2nd Road, Gushan District,
Kaohsiung City 804 | +886-7-961-9008 |
- IV. Stock Transfer Agency
 Agency: Transfer Agency Department, CTBC Bank Co., Ltd.
 Address: 5F., No. 83, Sec. 1, Chongqing S. Road, Zhongzheng District, Taipei City, R.O.C.
 Tel: +886-2-6636-5566
 Website: <https://www.ctbcbank.com>
- V. CPAs Attesting the Most Recent Annual Financial Report
 Firm Name: Ernst & Young
 Attesting CPAs: Yu-Ting Huang, CPA; Tzu-Ping Huang, CPA
 Address: 26F., No. 186, Shizheng N. 7th Rd., Xitun Dist., Taichung City 407, Taiwan (R.O.C.)
 Tel: +886-4-2259-8999
 Website: https://www.ey.com/tw/zh_tw
- VI. Name of overseas securities exchange where securities are listed and method for accessing information on such securities: The Company has not issued any overseas securities.
- VII. Company Website
<https://www.sakura.com.tw>

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Chapter 1 Letter to Shareholders

Dear Shareholders:

Over the past year, the global economic landscape remained highly volatile, while market competition and consumer behavior continued to evolve. Amid a rapidly changing market environment, Taiwan Sakura Corporation (“Sakura”) adhered to its principle of prudent management, continuously deepened the development of its core businesses, and advanced various business initiatives. In 2025, consolidated revenue reached NT\$10.275 billion, representing an annual increase of 7.02%; operating income totaled NT\$1.573 billion, up 7.51% year over year; and net income attributable to owners of the parent amounted to NT\$1.373 billion, an annual increase of 5.54%. Both revenue and profitability reached new record highs. In recent years, Sakura has remained focused on household needs and has progressively built its capabilities to provide comprehensive home living solutions. Through cross-business integration and strategic market deployment, the Company has continued to strengthen its operational foundation and overall competitiveness.

Throughout its development, Sakura has consistently upheld three core management philosophies: first, embracing challenges and pursuing continuous breakthroughs by responding to market changes through innovation and transformation; second, remaining humble and committed to continuous learning, steadily enhancing capabilities throughout its growth journey while proactively embracing the changes brought by digital technology and artificial intelligence; and third, always placing consumer needs at the center of its operations, integrating products and services to deliver more comprehensive solutions while continuously building consumer trust and brand loyalty.

Looking ahead, Sakura will continue to pursue its vision of becoming “the creator of better home living,” deepening brand value, optimizing channel management and customer partnerships, promoting data applications and digital transformation, and further strengthening quality management and talent development. Through prudent management and continuous innovation, Sakura will continue to enhance its overall operational resilience in an ever-changing market environment. Together with shareholders, customers, and all employees, the Company will work hand in hand to build a solid foundation for long-term sustainable growth.

I. Consolidated operating results for 2025

(I) Business Plan implementation results

Unit: NT\$ thousand

Item	2025	2024	Increase (Decrease) %
Operating revenue	10,274,605	9,600,869	7.02%
Net operating income	1,573,470	1,463,603	7.51%
Income before tax	1,707,524	1,626,750	4.97%
Net income after tax	1,373,870	1,292,120	6.33%
Net income attributable to owners of the parent	1,372,682	1,300,674	5.54%

(II) Achievement of projected targets

Unit: Units (sets)

Major Products	2025 Target Sales Volume	2025 Actual Sales Volume	Achievement Rate
Kitchen Appliance (Note 1)	700,849	669,532	95.53%
Water heaters	351,538	338,411	96.27%
Cabinet of Kitchen System (Note 2)	40,597	46,726	115.10%
Others (Note 3)	368,002	383,907	104.32%
Total	1,460,986	1,438,576	98.47%

Note 1: Kitchen Appliance mainly includes range hoods, gas stoves, dish dryers, and water purifiers.

Note 2: For Cabinet of Kitchen System, only complete sets are included. Incomplete sets are excluded from the achievement rate calculation.

Note 3: Others mainly includes externally procured electrical appliances and water purifier filter cartridges.

(III) Analysis of consolidated financial position, income and profitability

1. Financial Position and Cash Flow Analysis

Unit: NT\$ thousand

Item	Year	2025	2024	Increase (Decrease) %
Cash inflows from operating activities		1,329,645	1,191,184	11.62%
Cash outflows from investing activities		(415,814)	(510,602)	18.56%
Cash outflows from financing activities		(1,162,800)	(726,713)	(60.01%)

2. Profitability Analysis

Item	Year	2025	2024
Return on assets (%)		12.67	12.97
Return on equity (%)		20.17	20.61
As a percentage of paid-in capital (%)	Operating income	70.75	66.19
	Income before tax	76.78	73.56
Net profit margin (%)		13.35	13.54
Earnings per share (NT\$)		6.27	5.94

(IV) Research and development status

Sakura's R&D team incorporates the brand spirit of "the creator of better home living" into product development. Combined with the Company's long-term investment in electronic control software and hardware technologies, Sakura is committed not only to developing convenient, safe, healthy, and environmentally friendly kitchen electrical appliances and gas products, but also to expanding its water purifier and built-in appliance product lines and launching the Sakura AI Kitchen integrated product series. Products successfully developed over the past two years are as follows:

1. AutoSeasons MaxPower Adaptive Water Heater
2. AutoSeasons Pump MaxPower Adaptive Water Heater
3. AutoSeasons MaxPower Adaptive High-Efficiency Water Heater
4. Level 1 Energy Efficiency Swirl-type Burner Built-in Hob
5. Dual Timer Safety Gas Stove
6. Smart Range Hood with Intelligent Air Control and Auto Lift Close-Range Suction
7. Oil-guiding Tray DC Motor Range Hood
8. Multifunctional Display Water Purifier Faucet
9. Clean Heat Beverage Under-Counter Heater
10. Countertop Hot and Ambient RO Water Purifier
11. Hot-air Drying Dishwasher
12. Smart-linkage Induction Hob
13. Compact Smart-linkage Induction Hob
14. Smart Built-in Storage Cabinet

II. Summary of 2026 Business Plan

(I) Business Strategy

1. Enhancing Brand Value

Focusing on consumer experience, the Company will integrate group resources, enhance customer satisfaction, foster stronger brand preference beyond brand recognition, and, through brand management and product innovation, reinforce its market leadership and expand brand influence.

2. Deepening Customer Relationships and Upgrading Channels

With the consumer journey at the core, the Company will continue to optimize its channel operating model. On the retail side, it will promote upgrades to experience stores and chain channels. On the project side, it will strengthen collaboration with property developers while integrating brand pavilion deployment with greater process transparency, thereby enhancing customer loyalty and expanding market coverage.

3. Data Empowerment and Embedding an AI Culture

The Company will strengthen data governance and AI applications, promote the integration of data- and AI-driven mechanisms into daily operations, and develop AI Kitchen products and services to build a data-driven operating model that enhances operating efficiency and decision-making quality.

4. Comprehensive Quality Commitment

The Company will elevate quality management from a management system to an organizational culture, fully embed quality principles into product and service processes, continuously upgrade quality systems, and combine these efforts with the SAKURA iCare service platform to enhance customer experience and brand trust.

5. Talent Development and Cultural Continuity

The Company will strengthen talent development and succession planning, enhance organizational capabilities, and cultivate key talent through structured training programs and talent reviews, thereby fostering an organizational culture that supports long-term development.

Overall, the Company will center its strategy on the “HOME in ONE” one-stop home service model, continue to advance the five key operating priorities of brand, channels, data, quality, and talent, and establish an operating framework and competitive advantages that support long-term steady growth.

(II) Projected sales targets (consolidated)

Unit: Units (sets)	
Major Products	2026 Target Sales Volume
Kitchen Appliance (Note 1)	718,211
Water heaters	341,479
Cabinet of Kitchen System (Note 2)	47,778
Others (Note 3)	293,205
Total	1,400,673

Note 1: Kitchen Appliance mainly includes range hoods, gas stoves, dish dryers, and water purifiers.

Note 2: For Cabinet of Kitchen System, only complete sets are included. Incomplete sets are excluded from the achievement rate calculation.

Note 3: Others mainly includes externally procured electrical appliances and water purifier filter cartridges.

The projected sales volume for 2026 is estimated based on domestic and international economic conditions, industry competition characteristics, and consideration of changes in market share, product mix, customer portfolio structure, and anticipated supply and demand conditions.

(III) Key production and sales policies

1. Marketing:

The Company will focus on product innovation, channel management, and market expansion to enhance brand competitiveness and market penetration.

(1) AI Kitchen Smart Kitchen Strategy

The Company will promote integrated product-series development and premiumization of AI Kitchen smart kitchen appliances. By combining product innovation with expanded application scenarios, it will strengthen product differentiation and drive industry value enhancement.

(2) Retail Channel Upgrades and Consumer Experience Optimization

Centered on consumer experience, the Company will expand controllable channel scale and promote channel upgrades, including upgrades to community experience stores and optimization of Sakura Kitchen chain store distribution channels. Membership management mechanisms will also be introduced to enhance customer engagement and brand loyalty.

(3) Strengthening Strategic Partnerships with Property Developer Clients

The Company will strengthen collaboration with property developer clients, promote integrated kitchen and home space solutions, expand its home living business, and increase the market penetration of home living solutions.

With flagship brand stores in northern, central, and southern Taiwan as core hubs, the Company will establish an integrated service platform connecting partners in the architecture and design industries. By combining product supply, scenario-based displays, and transparent process mechanisms, it will advance the “HOME in ONE” one-stop solution model, deepen cooperation, and enhance long-term customer loyalty.

(4) Overseas Market Expansion and Stronger Operating Capabilities

The Company will strengthen its presence in overseas markets, solidify its foundation in the China market, and expand into Southeast Asia, with Vietnam serving as its ASEAN development base. At the same time, through brand management and strategic partnership models, it will expand into North America and other markets, gradually increasing the proportion of international revenue.

2. Production

(1) Strengthening Supply Chain Integration Capabilities

Through strategic procurement and supply chain integration, the Company will build a more resilient supply system, ensure stable raw material supply, and optimize its cost structure.

(2) Promoting Smart Manufacturing and Production Line Optimization

The Company will enhance production line automation and intelligent manufacturing capabilities while improving line efficiency and equipment utilization to support operating growth needs.

(3) Enhancing Production-Sales Coordination and Supply Efficiency

By leveraging digital management and demand forecasting mechanisms, the Company will optimize production and sales operations, ensure stable supply, and improve delivery capabilities.

III. Future development strategies

Building on its existing industry foundation and brand advantages, the Company will continue to expand its home living solutions portfolio. Through product innovation, channel management, and service integration, it will drive long-term steady growth and enhance corporate value. Its principal development strategies are as follows:

(I) Kitchen and Bath Appliance Business

With product innovation and value enhancement at the core, the Company will continue to advance the development of the “AI Kitchen” smart kitchen concept. By integrating smart applications and scenario-based design, it will enhance product added value and user experience. Through product mix optimization and integrated product-series deployment, it will strengthen market competitiveness and drive overall revenue growth.

(II) Home Living Business

Centered on the “HOME in ONE” total solution model, the Company will integrate kitchen and bath appliances, integrated kitchens, and full-home renovation services to provide one-stop services. It will also strengthen its presence in retail channels and the residential project market, enhance customer loyalty and service value, and expand market penetration.

(III) Overseas Business

The Company will continue to strengthen its international operating capabilities. By combining successful experience from the Taiwan market with localized operating advantages, it will steadily expand its overseas market footprint. Regionally, it will continue to cultivate the China market while simultaneously advancing development in Southeast Asia, gradually increasing the proportion of international revenue.

(IV) Service Platform and Customer Experience

The Company will continue to enhance the SAKURA iCare service platform by integrating pre-sales, in-sales, and after-sales service processes to improve service efficiency and customer experience. Through the adoption of data applications and smart tools, it will optimize service quality and response speed, establish differentiated service advantages, strengthen brand trust, and position service capabilities as a key driver of its home living solutions business.

(V) Supply Chain System

The Company will continue to promote supply chain integration and manufacturing upgrades to build a resilient supply system. Through smart manufacturing and production line optimization, it will improve production-sales coordination efficiency and product delivery capabilities, while balancing cost control and quality stability to support overall business growth.

IV. Impact of the external competitive environment, regulatory environment, and overall business environment on the Company

In recent years, as consumers have placed greater emphasis on quality home living, market demand has gradually shifted from the purchase of individual products toward home living solution models that combine space planning, product integration, and service experience. Integration capabilities have become a key competitive differentiator for enterprises. Against this backdrop, global economic changes, industry transformation, and regulatory policies continue to affect business operations. The Company will continue to monitor external developments closely and strengthen its response capabilities with respect to key trends:

(I) Smart Appliances and Digital Transformation Trends

With the rapid development of smart appliances and data applications, product functions have evolved from standalone devices into integrated solutions combining smart controls and data services, driving the industry toward higher value-added and differentiated development. The Company will continue to strengthen innovation and data applications for AI Kitchen smart kitchen products, building a data-driven product and service ecosystem to enhance product competitiveness and market advantages.

(II) Intensifying Competition in Home Living Solutions

Market competition has expanded from individual products to total solutions. To maintain competitive advantages, enterprises must possess capabilities in brand management, product integration, and service delivery. The Company will continue to enhance the “HOME in ONE” one-stop home service model by integrating kitchen and bath appliances, integrated kitchens, full-home renovation, and services, thereby strengthening total solution capabilities and enhancing market competitiveness and customer loyalty.

(III) Changes in the Global Supply Chain and Economic Environment

Global economic volatility and geopolitical risks have created uncertainties in raw material supply, logistics stability, and cost structures, thereby affecting business operations. The Company continues to promote supply chain integration and strategic procurement to strengthen supply system resilience and stability. Combined with production-sales coordination and cost control mechanisms, these efforts will reduce the impact of external volatility on operations.

(IV) ESG and Sustainable Development Trends

As global sustainable development expectations and environmental regulations become increasingly stringent, enterprises must continue investing in energy conservation, carbon reduction, and sustainable operations in order to meet market and regulatory requirements. The Company promotes the development of energy-efficient products and low-carbon manufacturing, strengthens environmentally friendly practices and resource efficiency management, and progressively enhances sustainable operating capabilities in response to regulatory and market demands.

Looking ahead to the overall business environment, the Company will continue to expand the “HOME in ONE” one-stop home service platform, strengthen product innovation and service integration capabilities, steadily drive long-term growth, and continuously enhance corporate value.

Finally, we would like to express our sincere gratitude once again to all shareholders for your continued support and encouragement.

Chairman,
Taiwan Sakura Corporation

Yung-Chieh Chang

Chapter 2 Corporate Governance Report

I. Information on Directors, President, Vice Presidents, Assistant Vice Presidents, and Heads of Departments and

(I) Director

1. Information on Directors:

Title	Nationality	Name	Gender and Age	Date Elected/Appointed	Term of Office	Date First Elected	Shares Held at Time of Election		Current Shareholding		Current Shares Held by Spouse and Minor Children		Shares Held under the Names of Others		Principal Experience and Education
							Shares Held	Shareholding Ratio	Shares Held	Shareholding Ratio	Shares Held	Shareholding Ratio	Shares Held	Shareholding Ratio	
Chairman	R.O.C.	UNJ Holding Corporation	-	June 19, 2025	3 years	June 17, 2022	4,701,000	2.13%	4,701,000	2.11%	-	-	-	-	-
		Representative: Yung-Chieh Chang	Male Age 51-60	June 19, 2025	3 years	June 4, 2013	416,493	0.19%	416,493	0.19%	355	0.00%	4,701,000	2.11%	International Relations BA, The University of Southern California (USC) President of Sakura Bath and Kitchen Products (China) Co., Ltd.; Special Assistant to the Chairman of Taiwan Sakura Corporation; CEO of Svago International Corporation
Vice Chairman	R.O.C.	Ko Li Te Investment Co., Ltd.	-	June 19, 2025	3 years	June 24, 2019	13,268,176	6.00%	13,268,176	5.97%	-	-	-	-	-
		Representative: Yuo-Tu Lin	Male Age 71-80	June 19, 2025	3 years	April 27, 2005	1,654,301	0.75%	1,654,301	0.74%	60	0.00%	-	-	Vice President of Marketing Management Division, Taiwan Sakura Corporation; President, Taiwan Sakura Corporation
Director	R.O.C.	Svago International Corporation	-	June 19, 2025	3 years	June 4, 2002	2,312,932	1.05%	2,312,932	1.04%	-	-	-	-	-
		Representative: Hui-Hsun Lee	Male Age 51-60	June 19, 2025	3 years	January 19, 2018	47,000	0.02%	47,000	0.02%	-	-	-	-	Department of Business Administration, Chung Yuan Christian University Manager, Consumer Product Business Division, Yuen Foong Yu Paper Mfg. Co., Ltd.; Director, Planning Division, Taiwan Sakura Corporation; Vice President, Business Planning Office, Taiwan Sakura Corporation

Title	Nationality	Name	Gender and Age	Date Elected/ Appointed	Term of Office	Date First Elected	Shares Held at Time of Election		Current Shareholding		Current Shares Held by Spouse and Minor Children		Shares Held under the Names of Others		Principal Experience and Education	Concurrent Positions Held in the Company and Other Companies	Other Managerial Officers or Directors Who Are Spouses or Relatives within the Second Degree of Kinship			Notes
							Shares Held	Shareholding Ratio	Shares Held	Shareholding Ratio	Shares Held	Shareholding Ratio	Shares Held	Shareholding Ratio			Title	Name	Relationship	
Director	R.O.C.	UNJ Holding Corporation	-	June 19, 2025	3 years	June 17, 2022	4,701,000	2.13%	4,701,000	2.11%	-	-	-	-	-	-	-	-	-	-
		Representative: Gen-Cheng Wu	Male Age 61-70	June 19, 2025	3 years	March 1, 2020	-	-	-	-	-	-	-	-	Department of Journalism, Chinese Culture University Senior Vice President, Want Want China Times Media Group; China Times Chairman/China Television Company, Ltd.; Chairman, China Television Company, Ltd.; Chairman, China Times Weekly; President, InfoTimes	Chairman, SysJust Media Corporation Independent Director, Mediera Corporation Independent Director, Advancetek Enterprise Co., Ltd. Independent Director, China Television Company, Ltd. Independent Director, Taiwan Steel Union Co., Ltd.	None	None	None	None
Director	R.O.C.	Ko Li Te Investment Co., Ltd.	-	June 19, 2025	3 years	June 24, 2019	13,268,176	6.00%	13,268,176	5.97%	-	-	-	-	-	-	-	-	-	-
		Representative: Ching-Wen Chang	Female Age 41-50	June 19, 2025	3 years	June 17, 2022	93,439	0.04%	93,439	0.04%	-	-	-	-	Department of Business Management, The University of Southern California (USC) Director, Business Planning Office, Sakura Bath and Kitchen Products (China) Co., Ltd.	Supervisor, Ko Li Te Investment Co., Ltd. Chairman, An Shih Li, Ltd Chairman, Bounce Pretty Co., Ltd.	Vice President	Yong-Zheng Chang	Younger brother	None
Director	R.O.C.	Svago International Corporation	-	June 19, 2025	3 years	June 4, 2002	2,312,932	1.05%	2,312,932	1.04%	-	-	-	-	-	-	-	-	-	-
		Representative: Yih-Yuan Hsu	Male Age 51-60	June 19, 2025	3 years	June 19, 2025	-	-	-	-	-	-	-	-	Master of Engineering, Department of Chemical Engineering, National Taiwan University of Science and Technology Plant Manager, Ichia Technologies, Inc.; QC/QA Supervisor, Ford Lio Ho Motor Co., Ltd.	Vice President, Manufacturing Management Division and R&D Center	None	None	None	None
Independent Director	R.O.C.	Ming-Yuan Jheng	Male Age 51-60	June 19, 2025	3 years	June 24, 2019	-	-	-	-	-	-	-	-	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.; Vice President, IBT Securities Co., Ltd.; Manager, HSBC Global Asset Management (Taiwan) Limited; Lecturer, Department of Finance and Insurance, Shu-Te University of Science and Technology	Member of the Remuneration Committee, Taiwan Sakura Corporation Adjunct Assistant Professor, Department of Accounting, Feng Chia University Chairman, Long Term Capital Co., Ltd. Independent Director, TaiwanJ Pharmaceuticals Co., Ltd. Member of the Remuneration Committee, TaiwanJ Pharmaceuticals Co., Ltd. Independent Director, Chumpower Machinery Corporation Member of the Remuneration Committee, Chumpower Machinery Corporation	None	None	None	None
Independent Director	R.O.C.	Chi-Wei Lin	Male Age 71-80	June 19, 2025	3 years	June 19, 2025	-	-	-	-	-	-	-	The Department of Accountancy, National Cheng Kung University Partner CPA, Diwan, Ernst & Young	Member of the Remuneration Committee, Taiwan Sakura Corporation Independent Director, Nien Made Enterprise Co., Ltd. Member of the Remuneration Committee, Nien Made Enterprise Co., Ltd. Independent Director, Lelon Electronics Corp. Member of the Remuneration Committee, Lelon Electronics Corp. Independent Director, Sweeten Real Estate Development Co., Ltd. Member of the Remuneration Committee, Sweeten Real Estate Development Co., Ltd.	None	None	None	None	
Independent Director	R.O.C.	Chin-Shan Huang	Male Age 61-70	June 19, 2025	3 years	June 19, 2025	-	-	-	-	-	-	-	Master of Management, Cambridge Institute of Management, Boston, USA; Vice President, Fu Ying Metal Co., Ltd.; President, Thunder Tiger Corporation; Chairman, Three Win Management Consulting Corp.	Chairman, Three Win Management Consulting Corp.	None	None	None	None	

Note 1: There is no circumstance in which the Chairman and the President or equivalent position (highest managerial officer) are the same person, spouses, or relatives within the first degree of kinship.

2. Major Shareholders of Corporate Directors:

April 6, 2026

Name of Corporate Shareholder	Major Shareholders of Corporate Shareholder
Svago International Corporation	Taiwan Sakura Corporation 100%
Ko Li Te Investment Co., Ltd.	Yong-Zheng Chang 50%; Ching-Wen Chang 49%; Ko Li Te Investment Co., Ltd. (treasury shares) 1%
UNJ Holding Corporation	Yung-Chieh Chang 97%; Man-Shih Li 3%

3. Where a major shareholder of a corporate director is itself a corporate entity, the major shareholders of such corporate entity are as follows:

April 6, 2026

Name of Corporate Entity	Major Shareholders of the Corporate Entity
Taiwan Sakura Corporation	Jin Rong Investment Co., Ltd. 6.39% Yuan Chi Investment Co., Ltd. 5.99% Ko Li Te Investment Co., Ltd. 5.97% CTBC Bank Co., Ltd., Trustee for the Employee Stock Ownership Trust Account of Taiwan Sakura Corporation 5.08% Chin Yeh Investment Co., Ltd. 4.95% Far Eastern International Bank Fiduciary Investment Account of Hong Way Property Co., Ltd. 4.26% Chia Chun Investment Co., Ltd. 2.39% UNJ Holding Corporation 2.11% Ying Chun Co., Ltd. 1.97% Yuan Jhen Investment Co., Ltd. 1.78%

4. Disclosure of Directors' Professional Qualifications and Independence of Independent Directors

Criteria Name / Title	Professional Qualifications and Experience	Independence Status	Number of Other Public Companies Concurrently Served as Independent Director
UNJ Holding Corporation Representative: Yung-Chieh Chang Chairman	<ul style="list-style-type: none"> International Relations BA, The University of Southern California (USC). Formerly served as President of Sakura Bath and Kitchen Products (China) Co., Ltd., Special Assistant to the Chairman of Taiwan Sakura Corporation, and CEO of Svago International Corporation. Possesses industry experience and professional capabilities in operational judgment, business management, crisis management, industry knowledge, international market perspective, leadership, and decision-making. No circumstances specified under any subparagraph of Article 30 of the Company Act apply. 	Not applicable	0
Ko Li Te Investment Co., Ltd. Representative: Yuo-Tu Lin Vice Chairman	<ul style="list-style-type: none"> Formerly served as Vice President of Marketing Management Division and President of Taiwan Sakura Corporation, with expertise in service management and marketing. Recipient of the Outstanding Manager Award in Central Taiwan, National Outstanding Manager Award, and National Outstanding CEO Award. Possesses industry experience and professional capabilities in operational judgment, business management, crisis management, industry knowledge, leadership, and decision-making. No circumstances specified under any subparagraph of Article 30 of the Company Act apply. 	Not applicable	0
Svago International Corporation Representative: Hui-Hsun Lee Director	<ul style="list-style-type: none"> Formerly served as Manager of Consumer Product Business Division, Yuen Foong Yu Paper Mfg. Co., Ltd.; Director of Planning Division, Taiwan Sakura Corporation; Vice President of Business Planning Office, Taiwan Sakura Corporation; and Executive Vice President of Taiwan Sakura Corporation. Specializes in business planning and is a recipient of the Outstanding Manager Award in Central Taiwan and National Outstanding Manager Award. Possesses industry experience and professional capabilities in operational judgment, business management, crisis management, industry knowledge, leadership, and decision-making. No circumstances specified under any subparagraph of Article 30 of the Company Act apply. 	Not applicable	0
UNJ Holding Corporation Representative: Gen-Cheng Wu Director	<ul style="list-style-type: none"> Formerly served as Senior Vice President of Want Want China Times Media Group; China Times Chairman/President; Chairman of China Television Company, Ltd.; Chairman of China Times Weekly; and President of InfoTimes. Possesses professional capabilities in business management, crisis management, leadership, and decision-making. No circumstances specified under any subparagraph of Article 30 of the Company Act apply. 	Not applicable	3

Criteria Name / Title	Professional Qualifications and Experience	Independence Status	Number of Other Public Companies Concurrently Served as Independent Director
Ko Li Te Investment Co., Ltd. Representative: Ching-Wen Chang Director	<ul style="list-style-type: none"> Department of Business Management, The University of Southern California (USC). Formerly served as Director of Business Planning Office of Sakura Bath and Kitchen Products (China) Co., Ltd. Possesses industry experience and professional capabilities in business management, industry knowledge, and international market perspective. No circumstances specified under any subparagraph of Article 30 of the Company Act apply. 	Not applicable	0
Svago International Corporation Representative: Yih-Yuan Hsu Director	<ul style="list-style-type: none"> Formerly served as Plant Manager of Ichia Technologies, Inc. and QC/QA Supervisor of Ford Lio Ho Motor Co., Ltd. Currently serves as Vice President of Manufacturing Management Division and R&D Center. Specializes in plant operations and manufacturing management. Possesses industry experience and professional capabilities in operational judgment, business management, crisis management, industry knowledge, leadership, and decision-making. No circumstances specified under any subparagraph of Article 30 of the Company Act apply. 	Not applicable	0
Ming-Yuan Jheng Independent Director	<ul style="list-style-type: none"> Ph.D., Department of Business Administration, National Chung Cheng University Member of the Audit Committee and Remuneration Committee of the Company. Formerly served as Chairman of Sunko Ink Co. Ltd., Vice President of IBT Securities Co., Ltd., Manager of HSBC Global Asset Management (Taiwan) Limited, and Lecturer at the Department of Finance and Insurance, Shu-Te University of Science and Technology. Currently serves as Adjunct Assistant Professor in the Department of Accounting, Feng Chia University. Specializes in financial accounting, corporate governance, and insurance, with extensive professional expertise and practical management experience, providing valuable insights and recommendations on the Company's financial planning and future development. No circumstances specified under any subparagraph of Article 30 of the Company Act apply. 	Complies with the independence requirements under the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	2
Chi-Wei Lin Independent Director	<ul style="list-style-type: none"> Certified public accountant qualified through the national CPA examination. Formerly served as Partner CPA of Diwan, Ernst & Young and has more than 25 years of experience in the auditing profession. Possesses professional expertise in accounting and financial analysis, with extensive knowledge in remuneration performance management, corporate growth, and related investments, providing substantial benefits to the Company's future operating strategy and financial planning. No circumstances specified under any subparagraph of Article 30 of the Company Act apply. 	Complies with the independence requirements under the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	3
Chin-Shan Huang Independent Director	<ul style="list-style-type: none"> Master of Management, Cambridge Judge Business School, Boston, USA. Formerly served as Vice President of Fu Ying Metal Co., Ltd. and President of Thunder Tiger Corporation. Currently serves as Chairman and Chief Consultant of Three Win Management Consulting Corp. Possesses expertise in strategic planning, business management, operational optimization, industry analysis, and risk management, thereby strengthening the Board's oversight of the Company's operations and management. No circumstances specified under any subparagraph of Article 30 of the Company Act apply. 	Complies with the independence requirements under the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	0

5. Board Diversity and Independence

(1) Board Diversity:

To strengthen corporate governance and enhance Board structure, the Company has expressly stipulated in its Corporate Governance Best Practice Principles that Board composition shall take diversity into consideration. Appropriate diversity policies shall be formulated based on operations, business model, and development needs, and various diversity dimensions shall be evaluated, including basic attributes and values (such as gender, age, nationality, and culture), professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience. The Board as a whole shall possess capabilities in operational judgment, accounting and financial analysis, business

management, crisis management, industry knowledge, international market perspective, leadership, and decision-making. The specific management objectives and achievement status of the Company's diversity policy are as follows:

Specific Management Objective	Achievement Status
At least one female director on the Board	Achieved
Independent directors shall account for no less than one-third of all Board seats	Achieved
No independent director shall serve more than three consecutive terms	Achieved

The current Board of Directors of the Company consists of nine directors (including three independent directors). Collectively, the Board possesses capabilities in operational judgment, leadership and decision-making, business management, international market perspective, and crisis management, and its members also bring industry experience and professional expertise. Among them, Chairman Yung-Chieh Chang, Director Yuo-Tu Lin, Director Hui-Hsun Lee, and Director Ching-Wen Chang have particular strengths in professional services and marketing. The independent directors possess expertise in financial accounting, finance, and corporate governance.

All members of the Board are nationals of the Republic of China. Directors concurrently serving as employees of the Company account for 44% of the Board. With respect to age distribution, one director is between 41 and 50 years old, four directors are between 51 and 60 years old, two directors are between 61 and 70 years old, and two directors are between 71 and 80 years old. The Company currently has one female director, representing 11% of the Board. Historically, the Company has selected directors primarily based on professional qualifications and experience rather than gender. Going forward, the Company will proactively identify qualified female professionals with industry experience for inclusion in the candidate pool for future director elections, with the aim of increasing female Board representation and progressively achieving one-third female Board seats.

The current Board diversity policy and its implementation status are as follows:

Diversity Core Categories	Basic Composition									Industry Experience			Professional Expertise							
	Nationality	Gender	Concurrent Employee Status with the Company	Age				Years of Service as Independent Director			Professional services and marketing	Finance and financial services	Business and supply chain	Operational judgment	Accounting and financial analysis	Business management	Crisis management	Industry knowledge	International market perspective	Leadership and decision-making
				41-50 years old	51-60 years old	61-70 years old	71-80 years old	1-3 years	4-6 years	7-9 years										
Name of Director																				
UNJ Holding Corporation Representative: Yung-Chieh Chang	R.O.C.	Male	✓		✓						✓	✓	✓	✓		✓	✓	✓	✓	
Ko Li Te Investment Co., Ltd. Representative: Yuo-Tu Lin	R.O.C.	Male	✓				✓				✓	✓	✓	✓		✓	✓		✓	
Svago International Corporation Representative: Hui-Hsun Lee	R.O.C.	Male	✓		✓						✓	✓	✓	✓		✓	✓		✓	
UNJ Holding Corporation Representative: Gen-Cheng Wu	R.O.C.	Male				✓										✓	✓		✓	
Ko Li Te Investment Co., Ltd. Representative: Ching-Wen Chang	R.O.C.	Female		✓							✓							✓	✓	
Svago International Corporation Representative: Yih-Yuan Hsu	R.O.C.	Male	✓		✓								✓		✓	✓	✓	✓	✓	
Ming-Yuan Jheng	R.O.C.	Male			✓					✓		✓		✓	✓					
Chi-Wei Lin	R.O.C.	Male				✓	✓					✓		✓	✓				✓	
Chin-Shan Huang	R.O.C.	Male				✓		✓					✓	✓		✓	✓	✓	✓	

(2) Board Independence:

The current Board of Directors of the Company consists of nine members, including three independent directors, representing 33% of the Board. Among them, one independent director has served for seven years, while two independent directors have each served for one year. The consecutive terms of all independent directors do not exceed three terms. All independent directors have, in accordance with applicable regulations, submitted declarations of independence when nominated as candidates for independent director, confirming that they and their related relatives as defined under the applicable rules maintain independence from the Company in compliance with the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. In addition, none of the directors of the Company are spouses of one another or related within the second degree of kinship, and the composition of the Board complies with Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.

(II) Information on the President, Vice Presidents, Assistant Vice Presidents, Heads of Departments, and Heads of Branch Offices

April 6, 2026

Title	Nationality	Name	Gender	Date Elected/ Appointed	Shareholdings		Shareholdings Held by Spouse and Minor Children		Shares Held under the Names of Others		Principal Experience and Education	Concurrent Positions Held in Other Companies	Managerial Officers Who Are Spouses or Relatives within the Second Degree of Kinship			Notes
					Shares Held	Shareholding Ratio	Shares Held	Shareholding Ratio	Shares Held	Shareholding Ratio			Title	Name	Relationship	
Chief Brand Officer	R.O.C.	Yung-Chieh Chang	Male	January 1, 2025	416,493	0.19%	355	0.00%	4,701,000	2.11%	International Relations BA, The University of Southern California (USC) President, Sakura Bath and Kitchen Products (China) Co., Ltd. Special Assistant to the Chairman, Taiwan Sakura Corporation CEO, Svago International Corporation	Chairman, Sakura Bath and Kitchen Products (China) Co., Ltd. Director, Sakura Shunde Co., Ltd. Chairman, Sakura Bath and Kitchen Products (Huanan) Co., Ltd. Chairman, Svago International Corporation Director, Sakura Enterprises (B.V.I.) Ltd. Director, Sakura (Cayman) Co., Ltd. Director, Sakura China Holdings (HK) Co., Ltd. Chairman, SAKURA Home Collection Co., Ltd. Chairman, UNJ Holding Corporation Director, Sakura Pan Pacific Holdings (Singapore) Pte. Ltd. Director, Kunshan Honghu Trading Co., Ltd. Director, Kunshan Jingye Consulting Co., Ltd. Director, Kunshan Yuntian Trading Co., Ltd. Director, Kunshan Haoahui Consulting Co., Ltd. Director, Kunshan Zhanye Business Consulting Co., Ltd. Director, Leaderg Inc.	None	None	None	None
Chief Sustainability Officer	R.O.C.	Yuo-Tu Lin	Male	January 1, 2025	1,654,301	0.74%	60	0.00%	-	-	Vice President of Marketing Management Division, Taiwan Sakura Corporation President, Taiwan Sakura Corporation	Director, Sakura Enterprises (B.V.I.) Ltd. Director, Svago International Corporation Director, SAKURA Home Collection Co., Ltd. Director, Mekong Trading Corporation Director, Puda Industrial Co., Ltd. Director, Eiffel Enterprise Co., Ltd.	None	None	None	None
President	R.O.C.	Hui-Hsun Lee	Male	July 1, 2023	47,000	0.02%	-	-	-	-	Department of Business Administration, Chung Yuan Christian University Manager, Consumer Product Business Division, Yuen Foong Yu Paper Mfg. Co., Ltd. Director, Planning Division, Taiwan Sakura Corporation Vice President, Business Planning Office, Taiwan Sakura Corporation	Director, Svago International Corporation Director, SAKURA Home Collection Co., Ltd.	None	None	None	None
Vice President, Manufacturing Management Division and R&D Center	R.O.C.	Yih-Yuan Hsu	Male	February 17, 2014	-	-	-	-	-	-	Master of Engineering, Department of Chemical Engineering, National Taiwan University of Science and Technology Plant Manager, Ichia Technologies, Inc. QC/QA Supervisor, Ford Lio Ho Motor Co., Ltd.	None	None	None	None	None
Vice President, Marketing Management Division	R.O.C.	Tai-Chen Chen	Male	August 1, 2023	8,656	0.00%	-	-	-	-	Graduate Institute of Business Administration, California State University Vice President, Svago International Corporation	None	None	None	None	None
Vice President, Sakura Kitchen Business Division	R.O.C.	Lien-Fa Chen	Male	August 1, 2023	105	0.00%	22,000	0.01%	-	-	Director, Sales Headquarters, Sakura Kitchen Business Division, Taiwan Sakura Corporation	None	None	None	None	None
Vice President, Corporate Relations and Development Department	R.O.C.	Tsung-Nan Hsieh	Male	September 1, 2025	-	-	-	-	-	-	Section Chief, Foreign Enterprise Division, Tatung Department Store Co., Ltd.	Supervisor, SAKURA Home Collection Co., Ltd. Director, Puda Industrial Co., Ltd.	None	None	None	None
Vice President, Overseas Business Division	R.O.C.	Yong-Zheng Chang	Male	January 10, 2023	67,853	0.03%	7,000	0.00%	-	-	Department of Business Administration, California State Polytechnic University, Pomona CEO, Sakura Bath and Kitchen Products (China) Co., Ltd. Vice Chairman, Sakura Bath and Kitchen Products (China) Co., Ltd.	Director, Sakura Bath and Kitchen Products (China) Co., Ltd. Director, Sakura Shunde Co., Ltd. Director, Mekong Trading Corporation Chairman, Ko Li Te Investment Co., Ltd. Director, Kunshan Honghu Trading Co., Ltd. Director, Kunshan Jingye Consulting Co., Ltd. Director, Kunshan Yuntian Trading Co., Ltd. Director, Kunshan Haoahui Consulting Co., Ltd. Director, Kunshan Zhanye Business Consulting Co., Ltd.	None	None	None	None

Title	Nationality	Name	Gender	Date Elected/ Appointed	Shareholdings		Shareholdings Held by Spouse and Minor Children		Shares Held under the Names of Others		Principal Experience and Education	Concurrent Positions Held in Other Companies	Managerial Officers Who Are Spouses or Relatives within the Second Degree of Kinship			Notes
					Shares Held	Shareholding Ratio	Shares Held	Shareholding Ratio	Shares Held	Shareholding Ratio			Title	Name	Relationship	
Director, Import Business Division	R.O.C.	Guang-Fei Luo	Male	July 1, 2024	57,242	0.03%	-	-	-	-	Department of Business Administration, California State Polytechnic University, Pomona Director, Sales Department, Import Business Division, Taiwan Sakura Corporation	None	None	None	None	None
Assistant Vice President, Brand Management Division	R.O.C.	Shu-Chen Teng	Female	April 15, 2024	-	-	-	-	-	-	Department of Commercial Design, Chung Yuan Christian University Marketing Planning Manager, Grey Advertising Co., Ltd. Deputy Account Director, J. Walter Thompson (Taiwan) Ltd. Marketing Planning Director, Havas Field Force Taiwan Ltd.	None	None	None	None	None
Assistant Vice President, Product Management Division	R.O.C.	Wen-I Chen	Male	April 15, 2024	-	-	-	-	-	-	EMBA, Feng Chia University Assistant Vice President, R&D Center, Taiwan Sakura Corporation	None	None	None	None	None
Senior Manager, Service Management Division	R.O.C.	Jin-Hui Zhong	Female	October 1, 2022	-	-	-	-	-	-	Department of Leisure and Recreation Business Management, National Taichung University of Science and Technology Senior Associate Vice President, TeleXpress Corp. Assistant Manager, Havas Field Force Taiwan Ltd.	None	None	None	None	None
Senior Manager, Business Planning Office and Spokesperson (Note 1)	R.O.C.	Chiu-Yu Lee	Female	May 1, 2024	-	-	-	-	-	-	Graduate Institute of Industrial Economics, National Central University Investment Analyst, New Business Division, Long Bon International Co., Ltd.	Supervisor, Eiffel Enterprise Co., Ltd.	None	None	None	None
Assistant Vice President, Digital Applications Department and Chief Information Security Officer	R.O.C.	Yueh-Tiann Tsai	Female	July 15, 2014	-	-	-	-	-	-	Graduate Institute of Accounting and Information Technology, National Chung Cheng University Special Assistant to the President, Keyarrow (Taiwan) Co., Ltd. Vice President, Information Division, VeeTime Corp. Vice President, Performax Golf & Composite, Inc. Manager, Planning Office and Computer Center, Mobiletron Electronics Co., Ltd.	None	None	None	None	None
Senior Manager, Finance Department and Chief Corporate Governance Officer	R.O.C.	Hsiu-Chi Chan	Female	April 1, 2021	5,000	0.00%	-	-	-	-	Specialist, Finance Department, Taiwan Sakura Corporation	Head of Finance, Svago International Corporation Head of Finance, SAKURA Home Collection Co., Ltd. Head of Finance, Sakura Enterprises (B.V.I.) Ltd. Head of Finance, Sakura Pan Pacific Holdings (Singapore) Pte. Ltd. Supervisor, Mekong Trading Corporation	None	None	None	None
Manager, Human Resources Department	R.O.C.	Wan-Ju Liao	Female	April 11, 2018	-	-	-	-	-	-	Institute of Human Resource Management, National Sun Yat-sen University HR Specialist, Chiao Fu Enterprise Co., Ltd.	None	None	None	None	None
Manager, Internal Audit Office	R.O.C.	Yun-Jhong Lai	Male	January 1, 2025	-	-	-	-	-	-	Department of Finance, I-Shou University Deputy Manager, Internal Audit Office, Taiwan Sakura Corporation Manager, Internal Audit Department, Sakura Bath and Kitchen Products (China)	None	None	None	None	None

Note 1: Former Group Chief Investment Officer and Spokesperson Hung-Chi Lai, Vice President, retired on March 31, 2026. The position of spokesperson was assumed by Senior Manager Chiu-Yu Lee of the Business Planning Office effective March 10, 2026.

II. Remuneration paid to directors, President, and Vice Presidents in the most recent fiscal year

(I) Remuneration of General Directors and Independent Directors for 2025

Unit: NT\$ thousand

Title	Name	Director Remuneration								Aggregate Amount of Items A, B, C and D, and Percentage of Net Income After Tax		Remuneration Received Concurrently as Employee								Aggregate Amount of Items A, B, C, D, E, F and G, and Percentage of Net Income After Tax		Remuneration Received from Investee Companies Other than Subsidiaries or from Parent Company				
		Compensation (A)		Severance / Pension (B)		Directors' Remuneration (C) (Note 1)		Business Execution Expenses (D)				Salary, Bonuses, Special Allowances, etc. (E)		Severance / Pension (F)		Employee Compensation (G) (Note 2)										
		The Company	All Companies Included in the Financial Statements	The Company	All Companies Included in the Financial Statements	The Company	All Companies Included in the Financial Statements	The Company	All Companies Included in the Financial Statements	The Company	All Companies Included in the Financial Statements	The Company	All Companies Included in the Financial Statements	The Company	All Companies Included in the Financial Statements	Cash Amount	Stock Amount	Cash Amount	Stock Amount	The Company	All Companies Included in the Financial Statements					
Corporate Director	UNJ Holding Corporation	-	-	-	-	23,242	23,242	-	-	23,242	23,242	1.69%	1.69%	-	-	-	-	-	-	23,242	23,242	1.69%	1.69%	None		
Chairman	Yung-Chieh Chang (Note 4)	15,343	15,343	-	-	-	-	480	480	15,823	15,823	1.15%	1.15%	-	-	-	-	-	-	15,823	15,823	1.15%	1.15%	None		
Corporate Director	Ko Li Te Investment Co., Ltd.																									
Corporate Director	Svago International Corporation																									
Director	Gen-Cheng Wu (Note 4)																									
Vice Chairman	Yuo-Tu Lin (Note 5)																									
Director	Ching-Wen Chang (Note 6)	-	-	-	-	10,328	10,328	2,400	2,400	12,728	12,728	0.93%	0.93%	36,446	39,306	324	324	450	-	450	-	49,948	52,808	3.64%	3.85%	None
Director	Hui-Hsun Lee (Note 7)																									
Director	Wen-Su Tsai (Former Director) (Note 7)																									
Director	Yih-Yuan Hsu (Newly Appointed) (Note 7)																									
Independent Director	Ming-Yuan Jheng																									
Independent Director	Jyh-Ren Chen (Former Director)																									
Independent Director	Yu-Cheng Chen (Former Director)	300	300	-	-	-	-	1,440	1,440	1,740	1,740	0.13%	0.13%	-	-	-	-	-	-	-	1,740	1,740	0.13%	0.13%	None	
Independent Director	Chi-Wei Lin (Newly Appointed)																									
Independent Director	Chin-Shan Huang (Newly Appointed)																									

- Please describe the remuneration policy, system, standards, and structure for independent directors, and explain the relationship between remuneration amounts and factors such as responsibilities assumed, risks undertaken, and time commitment:
Pursuant to Article 17 of the Articles of Incorporation of Taiwan Sakura Corporation, remuneration for the Chairman is paid at 1.5 times the remuneration level of the President; remuneration for the Vice Chairman is paid at the same level as that of the President; and remuneration for the remaining directors may be paid at the level applicable to managerial-grade supervisors, regardless of whether the Company reports a profit or loss. In addition, pursuant to Article 20 of the Articles of Incorporation, if the Company records annual profits (defined as profit before tax prior to the deduction of employee compensation and directors' remuneration), 2% to 8% shall first be allocated as employee compensation, and not more than 5% shall be allocated as directors' remuneration. The allocation of directors' remuneration is determined with reference to each director's supervision of the Company's operations, management involvement, and actual level of participation. Accordingly, directors' remuneration varies based on individual performance, the Company's operating results, and future operating risks, and is considered reasonable.
- Other than as disclosed in the above table, remuneration received in the most recent fiscal year by directors of the Company for services rendered to any company included in the financial statements (such as serving as a non-employee consultant): None.

Note 1: The total amount of directors' remuneration for 2025 approved for distribution by resolution of the Board of Directors was NT\$33,570,000. As the individual allocation amounts have not yet been determined, the figures are provisionally estimated based on the actual allocation of directors' remuneration for 2024.

Note 2: The total amount of employee compensation for 2025 approved for distribution by resolution of the Board of Directors was NT\$53,005,000. As the individual allocation amounts have not yet been determined, the figures are provisionally estimated based on the actual allocation of employee compensation for 2024.

Note 3: The re-election and assumption of office date of the 14th Board of Directors was June 19, 2025.

Note 4: Yung-Chieh Chang and Gen-Cheng Wu are the representatives of UNJ Holding Corporation.

Note 5: Yuo-Tu Lin was originally an individual director and, upon re-election on June 19, 2025, became the representative of Ko Li Te Investment Co., Ltd..

Note 6: Ching-Wen Chang is the representative of Ko Li Te Investment Co., Ltd..

Note 7: Hui-Hsun Lee, Wen-Su Tsai, and Yih-Yuan Hsu are the representatives of Svago International Corporation.

Remuneration Bracket Table

Remuneration Brackets for Directors of the Company	Name of Director			
	Total Remuneration for the First Four Items (A+B+C+D)		Total Remuneration for the First Seven Items (A+B+C+D+E+F+G)	
	The Company	All Companies Included in the Financial Statements (H)	The Company	All Companies Included in the Financial Statements (I)
Below NT\$1,000,000	Yuo-Tu Lin, Hui-Hsun Lee, Gen-Cheng Wu, Ching-Wen Chang, Wen-Su Tsai, Yih-Yuan Hsu, Ming-Yuan Jheng, Jyh-Ren Chen, Yu-Cheng Chen, Chi-Wei Lin, Chin-Shan Huang	Yuo-Tu Lin, Hui-Hsun Lee, Gen-Cheng Wu, Ching-Wen Chang, Wen-Su Tsai, Yih-Yuan Hsu, Ming-Yuan Jheng, Jyh-Ren Chen, Yu-Cheng Chen, Chi-Wei Lin, Chin-Shan Huang	Gen-Cheng Wu, Ching-Wen Chang, Wen-Su Tsai, Ming-Yuan Jheng, Jyh-Ren Chen, Yu-Cheng Chen, Chi-Wei Lin, Chin-Shan Huang	Gen-Cheng Wu, Ching-Wen Chang, Wen-Su Tsai, Ming-Yuan Jheng, Jyh-Ren Chen, Yu-Cheng Chen, Chi-Wei Lin, Chin-Shan Huang
NT\$1,000,000 (inclusive) to below NT\$2,000,000	-	-	-	-
NT\$2,000,000 (inclusive) to below NT\$3,500,000	-	-	-	-
NT\$3,500,000 (inclusive) to below NT\$5,000,000	Ko Li Te Investment Co., Ltd.	Ko Li Te Investment Co., Ltd.	Ko Li Te Investment Co., Ltd.	Ko Li Te Investment Co., Ltd.
NT\$5,000,000 (inclusive) to below NT\$10,000,000	Svago International Corporation	Svago International Corporation	Svago International Corporation, Yih-Yuan Hsu	Svago International Corporation, Yih-Yuan Hsu
NT\$10,000,000 (inclusive) to below NT\$15,000,000	-	-	Yuo-Tu Lin	Yuo-Tu Lin
NT\$15,000,000 (inclusive) to below NT\$30,000,000	UNJ Holding Corporation, Yung-Chieh Chang	UNJ Holding Corporation, Yung-Chieh Chang	UNJ Holding Corporation, Yung-Chieh Chang, Hui-Hsun Lee	UNJ Holding Corporation, Yung-Chieh Chang, Hui-Hsun Lee
NT\$30,000,000 (inclusive) to below NT\$50,000,000	-	-	-	-
NT\$50,000,000 (inclusive) to below NT\$100,000,000	-	-	-	-
NT\$100,000,000 and above	-	-	-	-
Total	15 persons	15 persons	15 persons	15 persons

* The remuneration information disclosed in this table differs from the concept of income under the Income Tax Act. Accordingly, this table is intended solely for information disclosure purposes and not for taxation purposes.

(II) Remuneration of the President and Vice Presidents for 2025

Unit: NT\$ thousand

Title	Name	Salary (A)		Severance / Pension (B)		Bonuses and Special Allowances, etc. (C)		Employee Compensation Amount (D) (Note 1)				Aggregate Amount of Items A, B, C and D, and Percentage of Net Income After Tax (%)		Remuneration Received from Investee Companies Other than Subsidiaries or from Parent Company
		The Company	All Companies Included in the Financial Statements	The Company	All Companies Included in the Financial Statements	The Company	All Companies Included in the Financial Statements	The Company		All Companies Included in the Financial Statements		The Company	All Companies Included in the Financial Statements	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
President	Hui-Hsun Lee	15,392	15,392	637	637	30,982	31,502	2,700	-	2,700	-	49,711 3.62%	50,231 3.66%	None
Vice President, Manufacturing Management Division and R&D Center	Yih-Yuan Hsu													
Vice President, Marketing Management Division	Tai-Chen Chen													
Vice President, Sakura Kitchen Business Division	Lien-Fa Chen													
Vice President, Overseas Business Division	Yong-Zheng Chang													
Vice President, Corporate Relations and Development Department	Tsung-Nan Hsieh													
Group Chief Investment Officer and Spokesperson (Note 3)	Hung-Chi Lai													

Note 1: The total amount of employee compensation for 2025 approved for distribution by resolution of the Board of Directors was NT\$53,005,000. As the individual allocation amounts have not yet been determined, the figures are provisionally estimated based on the actual allocation of employee compensation for 2024.

Note 2: Where any change in position occurred during the year, the above table includes only remuneration paid during the period in which the individual served as President or Vice President.

Note 3: Vice President Hung-Chi Lai, concurrently serving as Group Chief Investment Officer and Spokesperson, retired on March 31, 2026.

Remuneration Bracket Table

Remuneration Brackets for the President and Vice Presidents of the Company	Name of President and Vice Presidents	
	The Company	All Companies Included in the Financial Statements
Below NT\$1,000,000		
NT\$1,000,000 (inclusive) to below NT\$2,000,000		
NT\$2,000,000 (inclusive) to below NT\$3,500,000		
NT\$3,500,000 (inclusive) to below NT\$5,000,000	Hung-Chi Lai, Tsung-Nan Hsieh	Hung-Chi Lai, Tsung-Nan Hsieh
NT\$5,000,000 (inclusive) to below NT\$10,000,000	Yih-Yuan Hsu, Tai-Chen Chen, Lien-Fa Chen, Yong-Zheng Chang	Yih-Yuan Hsu, Tai-Chen Chen, Lien-Fa Chen, Yong-Zheng Chang
NT\$10,000,000 (inclusive) to below NT\$15,000,000		
NT\$15,000,000 (inclusive) to below NT\$30,000,000	Hui-Hsun Lee	Hui-Hsun Lee
NT\$30,000,000 (inclusive) to below NT\$50,000,000		
NT\$50,000,000 (inclusive) to below NT\$100,000,000		
NT\$100,000,000 and above		
Total	7 persons	7 persons

* The remuneration information disclosed in this table differs from the concept of income under the Income Tax Act. Accordingly, this table is intended solely for information disclosure purposes and not for taxation purposes.

(III) Managerial Officers Receiving Employee Compensation for 2025 and Allocation Status

	Title	Name	Stock Amount	Cash Amount (Note 1)	Total	Percentage of Net Income After Tax
Managerial Officer	Chief Brand Officer	Yung-Chieh Chang	0	5,312	5,312	0.39%
	Chief Sustainability Officer	Yuo-Tu Lin				
	President	Hui-Hsun Lee				
	Vice President, Manufacturing Management Division and R&D Center	Yih-Yuan Hsu				
	Vice President, Marketing Management Division	Tai-Chen Chen				
	Vice President, Sakura Kitchen Business Division	Lien-Fa Chen				
	Vice President, Corporate Relations and Development Department	Tsung-Nan Hsieh				
	Vice President, Overseas Business Division	Yong-Zheng Chang				
	Director, Import Business Division	Guang-Fei Luo				
	Assistant Vice President, Brand Management Division	Shu-Chen Teng				
	Assistant Vice President, Product Management Division	Wen-I Chen				
	Senior Manager, Service Management Division	Jin-Hui Zhong				
	Senior Manager, Business Planning Office and Spokesperson	Chiu-Yu Lee				
	Assistant Vice President, Digital Applications Department and Chief Information Security Officer	Yueh-Tiann Tsai				
	Senior Manager, Finance Department and Chief Corporate Governance Officer	Hsiu-Chi Chan				
	Manager, Human Resources Department	Wan-Ju Liao				
	Manager, Internal Audit Office	Yun-Jhong Lai				
Group Chief Investment Officer and Spokesperson (Note 2)	Hung-Chi Lai					

Note 1: The total amount of employee compensation for 2025 approved for distribution by resolution of the Board of Directors was NT\$53,005,000. As the individual allocation amounts have not yet been determined, the figures are provisionally estimated based on the actual allocation of employee compensation for 2024.

Note 2: Hung-Chi Lai, Vice President concurrently serving as Group Chief Investment Officer and Spokesperson, retired on March 31, 2026. The position of spokesperson was assumed by Manager Chiu-Yu Lee of the Business Planning Office effective March 10, 2026.

(IV) Comparative analysis of the ratio of total remuneration paid by the Company and all companies included in the consolidated financial statements to directors, President, and Vice Presidents to net income after tax in the parent company only financial statements for the most recent two fiscal years, and description of the remuneration policy, standards and structure, procedures for determining remuneration, and relationship to operating performance and future risks

1. Ratio of total remuneration paid to directors, President, and Vice Presidents to net income after tax for the most recent two fiscal years:

Title	The Company				All Companies Included in the Consolidated Financial Statements			
	2025		2024		2025		2024	
	Total Remuneration	Percentage of Net Income After Tax	Total Remuneration	Percentage of Net Income After Tax	Total Remuneration	Percentage of Net Income After Tax	Total Remuneration	Percentage of Net Income After Tax
Director	53,533	3.90%	53,179	4.09%	53,533	3.90%	53,179	4.09%
President and Vice Presidents	49,711	3.62%	45,617	3.51%	50,231	3.66%	46,152	3.55%

2. Remuneration policy, standards and structure, procedures for determining remuneration, and relationship to operating performance and future risks:
- (1) With respect to remuneration for directors of Taiwan Sakura Corporation, in addition to transportation allowances for attending Board meetings, Article 17 of the Articles of Incorporation authorizes the Board of Directors to determine directors' compensation with reference to prevailing industry standards. The Chairman's remuneration is paid at 1.5 times the remuneration level of the President; the Vice Chairman's remuneration is paid at the same level as that of the President; and the remuneration of the remaining directors may be paid at the level applicable to managerial-grade supervisors. In addition, pursuant to Article 20 of the Articles of Incorporation, where the Company records annual profits, not more than 5% shall be appropriated as directors' remuneration. The allocation of directors' remuneration is determined with reference to each director's supervision of the Company's operations, management involvement, actual level of participation, risks undertaken, and degree of contribution to the Company, and is submitted to the Remuneration Committee for review.
 - (2) Remuneration for managerial officers is governed by the salary management regulations, which specify various work allowances and bonuses. In addition, pursuant to Article 20 of the Articles of Incorporation, where the Company records annual profits, 2% to 8% shall first be appropriated as employee compensation. The allocation of employee compensation is determined with reference to employees' years of service, rank, and performance evaluations. Bonuses are granted based on the Company's annual operating performance, operating conditions, business unit performance achievement, individual performance achievement, and results of individual performance evaluations. The reasonableness of managerial officers' performance and remuneration is also regularly submitted to the Remuneration Committee for annual review.
 - (3) Relationship to operating performance and future risks:
Remuneration paid by the Company to directors and managerial officers is determined by the Remuneration Committee based on their degree of contribution to the Company and operating performance, with reference to industry standards and taking into consideration potential future operating, transaction, and financial risks that the Company may face, and is administered in accordance with the relevant management regulations. The Remuneration Committee convenes at least once each year to review the performance evaluation of directors and managerial officers, as well as remuneration policies, systems, standards, and structure; evaluate and determine remuneration; submit recommendations based on its evaluations; and refer such recommendations to the Board of Directors for discussion. Accordingly, no material future risk is expected to arise.

III. Corporate Governance Operations

(I) Information on Board operations:

The Board of Directors of Taiwan Sakura Corporation convened seven meetings in 2025 (A). Attendance of directors is as follows:

Title	Name	Number of Meetings Attended in Person (B)	Number of Meetings Attended by Proxy	Attendance Rate in Person (B/A)	Notes
Chairman	UNJ Holding Corporation Representative: Yung-Chieh Chang	7	0	100%	Re-elected
Director	UNJ Holding Corporation Representative: Gen-Cheng Wu	6	1	86%	Re-elected
Director	Yuo-Tu Lin	2	0	100%	Former Director Meetings Required to Attend: 2
Director	Ko Li Te Investment Co., Ltd. Representative: Yuo-Tu Lin	5	0	100%	Newly Appointed Meetings Required to Attend: 5
Director	Svago International Corporation Representative: Hui-Hsun Lee	7	0	100%	Re-elected
Director	Svago International Corporation Representative: Wen-Su Tsai	2	0	100%	Former Director Meetings Required to Attend: 2
Director	Svago International Corporation Representative: Yih-Yuan Hsu	5	0	100%	Newly Appointed Meetings Required to Attend: 5
Director	Ko Li Te Investment Co., Ltd. Representative: Ching-Wen Chang	6	1	86%	Re-elected
Independent Director	Jyh-Ren Chen	2	0	100%	Former Director Meetings Required to Attend: 2
Independent Director	Yu-Cheng Chen	2	0	100%	Former Director Meetings Required to Attend: 2
Independent Director	Ming-Yuan Jheng	7	0	100%	Re-elected
Independent Director	Chi-Wei Lin	5	0	100%	Newly Appointed Meetings Required to Attend: 5
Independent Director	Chin-Shan Huang	5	0	100%	Newly Appointed Meetings Required to Attend: 5

(Note) The re-election and assumption of office date of the 14th Board of Directors was June 19, 2025.

Other matters required to be disclosed:

- I. If any of the following circumstances occurred in Board operations, the date of the Board meeting, session number, content of the proposals, opinions of all independent directors, and the Company's response to such opinions shall be disclosed:
- (I) Matters set forth in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee; therefore, Article 14-3 of the Securities and Exchange Act does not apply. Please refer to the section titled "Operations of the Audit Committee" in this annual report for relevant information.
- (II) Other than the foregoing matters, any Board resolutions to which independent directors expressed opposition or reservations and which were recorded or supported by written statements: None.
- II. Implementation of recusal by directors with respect to proposals involving conflicts of interest, including the director's name, proposal content, reason for recusal, and voting participation status:

Meeting Date	Proposal Content	Implementation of Recusal
March 11, 2025 13th Board of Directors, 16th Meeting	Proposal regarding year-end bonuses for changes to the Chairman and Vice Chairman positions for 2024.	As Chairman Yung-Chieh Chang and Vice Chairman Yuo-Tu Lin were interested parties in this matter, they recused themselves and did not participate in the discussion or voting. The proposal was approved as originally proposed by the remaining attending directors.
	Proposal regarding the 2024 performance bonus of the President.	As Director Hui-Hsun Lee was an interested party in this matter, he recused himself and did not participate in the discussion or voting. The proposal was approved as originally proposed by the remaining attending directors.
June 19, 2025 14th Board of Directors, 1st Meeting	Proposal regarding appointment of members of the 6th Remuneration Committee of the Company.	As Independent Director Ming-Yuan Jheng and Independent Director Chi-Wei Lin were interested parties in this matter, they recused themselves and did not participate in the discussion or voting. The proposal was approved as originally proposed by the remaining attending directors.
June 30, 2025 14th Board of Directors, 2nd Meeting	Proposal regarding the reappointment of the President of Taiwan Sakura Corporation.	As Director Hui-Hsun Lee was an interested party in this matter, he recused himself and did not participate in the discussion or voting. The proposal was approved as originally proposed by the remaining attending directors.

Meeting Date	Proposal Content	Implementation of Recusal
August 7, 2025 14th Board of Directors, 3rd Meeting	Proposal regarding remuneration for the newly appointed Chairman of the Company.	As Chairman Yung-Chieh Chang was an interested party in this matter, he recused himself and did not participate in the discussion or voting. The proposal was approved as originally proposed by the remaining attending directors.
	Proposal regarding remuneration for the newly appointed Vice Chairman of the Company.	As Vice Chairman Yuo-Tu Lin was an interested party in this matter, he recused himself and did not participate in the discussion or voting. The proposal was approved as originally proposed by the remaining attending directors.
	Proposal regarding remuneration for the newly appointed President of the Company.	As Director Hui-Hsun Lee was an interested party in this matter, he recused himself and did not participate in the discussion or voting. The proposal was approved as originally proposed by the remaining attending directors.
August 19, 2025 14th Board of Directors, 4th Meeting	Proposal regarding the first issuance of restricted stock awards for employees in 2025 and the determination of the capital increase record date.	As Chairman Yung-Chieh Chang, Vice Chairman Yuo-Tu Lin, Director Hui-Hsun Lee, and Director Yih-Yuan Hsu were interested parties in this matter, they recused themselves and did not participate in the discussion or voting. The proposal was approved as originally proposed by the remaining attending directors.

III. Implementation of Board performance evaluation:

Evaluation Frequency	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Criteria
Conducted once annually	January 1, 2025 to December 31, 2025	Board performance evaluation	Internal self-evaluation of the Board	1. Degree of participation in the Company's operations 2. Enhancement of Board decision-making quality 3. Board composition and structure 4. Election of directors and continuing education 5. Internal control
		Performance evaluation of individual directors	Self-evaluation by individual directors	1. Understanding of corporate goals and missions 2. Recognition of directors' duties 3. Degree of participation in the Company's operations 4. Internal relationship management and communication 5. Professional competence and continuing education of directors 6. Internal control
		Performance evaluation of the Audit Committee and Remuneration Committee	Internal self-evaluation of functional committees	1. Degree of participation in the Company's operations 2. Recognition of functional committee responsibilities 3. Enhancement of committee decision-making quality 4. Committee composition and appointment of members 5. Internal control

The results of the 2025 Board performance evaluation, individual director performance evaluation, Audit Committee performance evaluation, and Remuneration Committee performance evaluation were all rated excellent. The evaluation results were reported respectively to the Board of Directors on March 10, 2026, the Audit Committee on March 10, 2026, and the Remuneration Committee on February 10, 2026. Relevant evaluation results have also been disclosed on the Company's website for investors' reference.

IV. Objectives for strengthening Board functions in the current year and most recent fiscal year, and assessment of implementation:

- (I) Board structure
The composition of the Board of Directors is diversified and aligned with the Company's development needs. All directors and independent directors possess comprehensive and extensive academic and professional experience, enabling the Board to effectively perform its functions in business decision-making, leadership, and supervision. The Company has also adopted the Regulations for Performance Evaluation of the Board of Directors and Functional Committees, under which annual internal self-evaluations of the Board and self-assessments of directors are conducted to establish a Board performance evaluation system, strengthen operating efficiency, and enhance Board effectiveness.
- (II) Establishment of the Audit Committee and Remuneration Committee
The Company established the Remuneration Committee in 2011 and the Audit Committee in 2019 in order to strengthen the Board's discharge of its duties.
- (III) Enhancing information transparency
The Company has adopted the Management Regulations for Handling Material Inside Information and Prevention of Insider Trading. Information relating to financial matters, material Board resolutions, directors' attendance at Board meetings, and directors' participation in continuing education programs has been disclosed on the Market Observation Post System in accordance with applicable laws and regulations. The Company's financial and business information is also disclosed on its website, enabling investors to obtain information on a timely basis.

(II) Information on Audit Committee operations:

1. The Audit Committee is established to assist the Board of Directors in overseeing the fair presentation of the Company's financial statements, the appointment (dismissal), independence, and performance of the attesting CPAs, the effective implementation of internal control, compliance with applicable laws and regulations, and the control of existing or potential risks faced by the Company. Key matters reviewed by the Audit Committee during the year include:
 - (1) Formulation or amendment of internal control systems, and assessment of the effectiveness of internal control systems.
 - (2) Formulation or amendment of procedures governing major financial and business activities, including acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others.
 - (3) Matters involving directors' personal interests.
 - (4) Material asset transactions or derivatives transactions, material loans of funds, and material endorsements or guarantees.
 - (5) Offering, issuance, or private placement of equity-type securities.
 - (6) Appointment, dismissal, or remuneration of attesting CPAs.
 - (7) Appointment or dismissal of heads of finance, accounting, or internal audit.
 - (8) Review of financial reports.
 - (9) Other material matters as required by the Company or competent authorities.
2. The Audit Committee of Taiwan Sakura Corporation convened five meetings in 2025 (A). Attendance of independent directors is as follows:

Title	Name	Number of Meetings Attended in Person (B)	Number of Meetings Attended by Proxy	Attendance Rate in Person (B/A)	Notes
Independent Director	Jyh-Ren Chen	2	0	100%	Former Director Meetings Required to Attend: 2
Independent Director	Yu-Cheng Chen	2	0	100%	Former Director Meetings Required to Attend: 2
Independent Director	Ming-Yuan Jheng	5	0	100%	Re-elected
Independent Director	Chi-Wei Lin	3	0	100%	Newly Appointed Meetings Required to Attend: 3
Independent Director	Chin-Shan Huang	3	0	100%	Newly Appointed Meetings Required to Attend: 3

(Note) The 3rd Audit Committee assumed office on June 19, 2025.

Other matters required to be disclosed:

I. If any of the following circumstances occurred in the operation of the Audit Committee, the meeting date, session number, proposal content, any dissenting opinions, reservations, or material recommendations raised by independent directors, the resolutions of the Audit Committee, and the Company's response to the Audit Committee's opinions shall be disclosed.

(I) Matters set forth in Article 14-5 of the Securities and Exchange Act:

Meeting Date	Proposal Content	Resolution Results and the Company's Response to the Audit Committee's Opinions
March 11, 2025 2nd Audit Committee, 14th Meeting	<ol style="list-style-type: none"> 1. Internal audit report for the fourth quarter of 2024 2. 2024 Statement on Internal Control System. 3. Amendments to the Company's Articles of Incorporation, Rules of Procedure for Board Meetings, and Management Regulations Governing Authorization Limits. 4. 2024 Business Report and financial statements. 5. 2024 earnings distribution. 6. Assessment of the independence and competence of the attesting CPAs for 2025, and engagement remuneration. 7. Pre-approval of non-assurance services to be provided in 2025 by Ernst & Young and its affiliated entities. 8. Proposal for the Company to provide an endorsement and guarantee for a short-term unsecured credit facility to be applied for by SAKURA Home Collection Co., Ltd. from the West Taichung Branch of Land Bank of Taiwan. 9. Proposal for renewal of the Company's endorsement and guarantee for short-term unsecured credit facilities to be applied for by SAKURA Home Collection Co., Ltd. from O-Bank Co., Ltd. and Hua Nan Commercial Bank, Ltd.. 	Approved unanimously by all attending committee members without objection.

Meeting Date	Proposal Content	Resolution Results and the Company's Response to the Audit Committee's Opinions
May 8, 2025 2nd Audit Committee, 15th Meeting	<ol style="list-style-type: none"> Internal audit report for the first quarter of 2025. Financial report for the first quarter of 2025. Proposal to lift non-competition restrictions on newly appointed directors and their representatives. Proposal for renewal of the Company's endorsement and guarantee for a short-term unsecured credit facility to be applied for by SAKURA Home Collection Co., Ltd. from the Shizheng Branch of CTBC Bank Co., Ltd. Proposal for demolition and reconstruction of buildings at the Company's Wuri North District site. 	Approved unanimously by all attending committee members without objection.
August 7, 2025 3rd Audit Committee, 1st Meeting	<ol style="list-style-type: none"> Election of the convener of the 3rd Audit Committee. Nominee registration matters relating to seven parcels of agricultural and pasture land at the Wuri Plant. Internal audit report for the second quarter of 2025. Financial report for the second quarter of 2025. 	Approved unanimously by all attending committee members without objection.
August 19, 2025 3rd Audit Committee, 2nd Meeting	<ol style="list-style-type: none"> Proposed list of non-managerial employees to receive the first issuance of restricted stock awards for employees in 2025 and the number of shares to be granted. 	Approved unanimously by all attending committee members without objection.
November 11, 2025 3rd Audit Committee, 3rd Meeting	<ol style="list-style-type: none"> Internal audit report for the third quarter of 2025. 2026 annual internal audit plan. Financial report for the third quarter of 2025. Amendments to the Company's internal rules and regulations, including the Rules of Procedure for Board Meetings, Audit Committee Charter, Quality and Environmental Management Manual, Ethical Corporate Management Best Practice Principles, and Service Policy White Paper. Proposal for renewal of the Company's endorsement and guarantee for a short-term unsecured credit facility to be applied for by SAKURA Home Collection Co., Ltd. from the West Taichung Branch of Land Bank of Taiwan. 	Approved unanimously by all attending committee members without objection.

(II) Other than the foregoing matters, resolutions that were not approved by the Audit Committee but were approved by more than two-thirds of all directors: No such circumstances.

II. Implementation of recusal by independent directors with respect to proposals involving conflicts of interest, including the names of the independent directors, proposal content, reasons for recusal, and participation in voting: No such circumstances.

III. Communication between independent directors, the head of internal audit, and the CPAs:

(I) In addition to submitting monthly audit reports to the independent directors, the head of internal audit reports quarterly to the Audit Committee on the execution of audit work and follow-up on corrective actions, and communicates and exchanges views regarding the effectiveness of the Company's internal control implementation. Where special circumstances arise, the Audit Committee members are also informed promptly.

(II) Independent directors and the CPAs communicate through the Audit Committee at least twice each year. During Audit Committee meetings, the CPAs engage in full discussions with the independent directors regarding the audit or review of financial statements, as well as financial, tax, regulatory amendments, and other related matters.

(III) During the course of routine operations, the head of internal audit, the CPAs, and the independent directors may directly contact one another whenever necessary, and communication channels remain open.

(IV) Communication between independent directors and the head of internal audit during 2025:

Meeting Date	Attendees	Matters Communicated	Results
March 11, 2025 Audit Committee	Independent Director Jyh-Ren Chen Independent Director Yu-Cheng Chen Independent Director Ming-Yuan Jheng Head of Internal Audit Yun-Jhong Lai	<ol style="list-style-type: none"> Follow-up on corrective actions for the third quarter of 2024 and execution of audit work for the fourth quarter of 2024. Review of the 2025 Statement on Internal Control System. Review of amendments to internal rules and regulations. 	<ol style="list-style-type: none"> Approved as proposed without objection and submitted to the Board of Directors. Approved as proposed without objection and submitted to the Board of Directors for resolution. Approved as proposed without objection and submitted to the Board of Directors for resolution.

Meeting Date	Attendees	Matters Communicated	Results
May 8, 2025 Audit Committee	Independent Director Jyh-Ren Chen Independent Director Yu-Cheng Chen Independent Director Ming-Yuan Jheng Head of Internal Audit Yun-Jhong Lai	Follow-up on corrective actions for the fourth quarter of 2024 and execution of audit work for the first quarter of 2025.	Approved as proposed without objection and submitted to the Board of Directors.
August 7, 2025 Audit Committee	Independent Director Ming-Yuan Jheng Independent Director Chi-Wei Lin Independent Director Chin-Shan Huang Head of Internal Audit Yun-Jhong Lai	1. Follow-up on corrective actions for the first quarter of 2025 and execution of audit work for the second quarter of 2025.	Independent Director Chin-Shan Huang recommended that key processes should, where practicable, be managed through IT systems. Implementation status: IT systems have continued to be introduced for control purposes in accordance with the recommendation.
November 11, 2025 Audit Committee	Independent Director Ming-Yuan Jheng Independent Director Chi-Wei Lin Independent Director Chin-Shan Huang Head of Internal Audit Yun-Jhong Lai	1. Follow-up on corrective actions for the second quarter of 2025 and internal audit report for the third quarter of 2025. 2. Review of amendments to internal rules and regulations.	1. Approved as proposed without objection and submitted to the Board of Directors for resolution. 2. Approved as proposed without objection and submitted to the Board of Directors for resolution.

(V) Communication between independent directors and the CPAs during 2025:

Meeting Date	Attendees	Matters Communicated	Results
March 11, 2025 Audit Committee	Independent Director Jyh-Ren Chen Independent Director Yu-Cheng Chen Independent Director Ming-Yuan Jheng CPA Yu-Ting Huang	1. Audit results of the 2024 financial statements and key audit matters. 2. Updates on securities regulations and tax laws, and explanation of revisions to the corporate governance evaluation system.	Noted, with no further recommendations.
August 7, 2025 Audit Committee	Independent Director Ming-Yuan Jheng Independent Director Chi-Wei Lin Independent Director Chin-Shan Huang CPA Yu-Ting Huang	1. Review results of the financial statements for the second quarter of 2025. 2. Updates on securities regulations and tax laws, and the latest developments in sustainability disclosure standards.	Noted, with no further recommendations.

(III) Status of corporate governance operations and any deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and reasons therefor:

Assessment Item	Operational Status			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor:
	Yes	No	Summary	
I. Has the Company adopted and disclosed its Corporate Governance Best Practice Principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	V		The Company has adopted its Corporate Governance Best Practice Principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and has disclosed them on the Company's website.	No material deviation
II. Shareholding structure and shareholders' rights (I) Has the Company established internal operating procedures for handling shareholders' suggestions, inquiries, disputes, and litigation matters, and implemented such procedures accordingly?	V		The Company has designated personnel, including the spokesperson, acting spokesperson, legal affairs personnel, and stock affairs personnel, to handle shareholders' suggestions, inquiries, disputes, and litigation matters.	No material deviation
(II) Does the Company maintain a list of the major shareholders who exercise actual control over the Company and the ultimate controllers of such major shareholders?	V		Based on the shareholders' register provided by the stock affairs agent institution, the Company closely monitors changes in shareholdings of directors, managerial officers, and major shareholders holding more than 10% of the shares.	No material deviation
(III) Has the Company established and implemented risk control mechanisms and firewall measures with affiliated enterprises?	V		When selecting the organizational structures of affiliated enterprises, firewall mechanisms have been taken into consideration. The Company has established relevant internal control systems, and the internal audit unit conducts periodic or ad hoc audits of subsidiaries.	No material deviation
(IV) Has the Company established internal rules prohibiting insiders from trading securities using undisclosed market information?	V		<p>The Company has adopted the Management Regulations for Handling Material Inside Information and Prevention of Insider Trading, which prohibit insiders from trading securities using undisclosed information. Implementation of educational promotion activities in 2025 for incumbent directors, managerial officers, and employees was as follows:</p> <ol style="list-style-type: none"> 1. At the beginning of each month, the Company sent emails to directors and managerial officers to promote regulations governing insider share transactions, and reminded them that they may not trade the Company's shares or other equity-type securities using undisclosed market information, nor trade during the closed period of 30 days prior to the announcement of annual financial reports and 15 days prior to the announcement of quarterly financial reports. 2. On November 27, 2025, the Company notified directors by email of the six Board meeting dates for 2026 and the stock trading closed periods prior to the announcement of quarterly financial reports, so as to prevent inadvertent violations. 3. On December 1, 2025, the Company conducted educational promotion sessions for a total of 20 department supervisors regarding insider stock trading regulations and prevention of insider trading, and announced in advance the stock trading closed periods prior to the announcement of quarterly financial reports in 2026. 	No material deviation
III. Composition and responsibilities of the Board of Directors (I) Has the Board adopted a diversity policy, specific management objectives, and implemented them accordingly?	V		To strengthen the Board structure, the Company has stipulated a Board diversity policy in its Corporate Governance Best Practice Principles. For the relevant specific management objectives and implementation status, please refer to pages 9-10 of this annual report under "Board diversity and independence."	No material deviation

Assessment Item	Operational Status			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor:
	Yes	No	Summary	
(II) In addition to establishing the Remuneration Committee and Audit Committee as required by law, has the Company voluntarily established any other functional committees?		V	The Company has not yet established other functional committees, but has actively commenced evaluation of the establishment of additional functional committees.	To be handled in the future in accordance with regulations or actual needs.
(III) Has the Company adopted regulations for Board performance evaluation and evaluation methods, conducted annual and regular performance evaluations, reported the results to the Board, and applied the results as reference for individual directors' remuneration and renomination?	V		The Company has adopted the Regulations for Performance Evaluation of the Board of Directors and Functional Committees, and conducts annual evaluations of the overall Board, individual directors, and functional committees. Evaluation results are completed and reported to the Board before the end of the first quarter of the following year. The evaluation results serve as reference for future selection or nomination of directors and determination of their individual remuneration. For the implementation status of the 2025 Board performance evaluation, please refer to page 19 of this annual report.	No material deviation
(IV) Does the Company regularly evaluate the independence of the attesting CPAs?	V		<p>The Company regularly evaluates the independence and suitability of the attesting CPAs each year. Major evaluation items include:</p> <ol style="list-style-type: none"> 1. Whether the CPAs hold shares in the Company. 2. Whether the CPAs have direct or material indirect financial interests in the Company. 3. Whether the CPAs have close business relationships or potential employment relationships with the Company. 4. Whether the CPAs provide non-audit services that may directly affect audit work. 5. Whether the CPAs have served continuously for seven years without rotation. 6. Whether the CPAs are related to directors, managerial officers, or personnel having material influence over the audit engagement. 7. Obtaining 13 Audit Quality Indicators (AQIs) provided by the accounting firm, and evaluating the audit quality of the accounting firm and audit team in accordance with the competent authority's Guidelines for Audit Committees on Interpreting Audit Quality Indicators (AQIs). <p>The most recent evaluation confirmed that the attesting CPAs for 2026 had no unsuitability issues or violations of independence. The above evaluation results were reviewed and approved by the Audit Committee on March 10, 2026 and subsequently approved by the Board of Directors on March 10, 2026.</p>	No material deviation
IV. Has the Company appointed qualified and an appropriate number of corporate governance personnel, and designated a Chief Corporate Governance Officer responsible for corporate governance affairs (including but not limited to providing directors and supervisors with information required for the performance of their duties, assisting directors and supervisors in legal compliance, handling matters relating to Board meetings and shareholders' meetings in accordance with law, and preparing minutes of Board meetings and shareholders' meetings)?	V		<p>By resolution of the Board of Directors on March 17, 2021, the Company appointed Hsiu-Chi Chan, Manager of the Finance Department of Taiwan Sakura Corporation, as Chief Corporate Governance Officer. Her principal duties are as follows:</p> <ol style="list-style-type: none"> 1. Handling matters relating to Board meetings and shareholders' meetings in accordance with law, and reviewing meeting notices and meeting materials. 2. Preparing minutes of Board meetings and shareholders' meetings. 3. Assisting directors in onboarding and continuing education. 4. Providing directors with information required for the performance of their duties. 5. Assisting directors in regulatory compliance. 6. Assisting in arranging meetings between independent directors and the head of internal audit or the attesting CPAs for communication and understanding of the Company's financial and business affairs. 7. Reporting periodically to the Board of Directors on the 	No material deviation

Assessment Item	Operational Status			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor:
	Yes	No	Summary	
			<p>implementation status of corporate governance and improvement plans.</p> <p>8. Reviewing the content of material information disclosures to ensure the accuracy of information announced to investors.</p> <p>During 2025, the Chief Corporate Governance Officer duly performed all responsibilities in accordance with her duties and completed 12 hours of continuing education for corporate governance officers. For details of such training, please refer to page 48 of this annual report.</p>	
V. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), established a stakeholder section on the Company's website, and appropriately responded to material corporate social responsibility issues of concern to stakeholders?	V		The Company has appointed a spokesperson and acting spokesperson, and has established a stakeholder section on its website. Dedicated communication channels are available for different stakeholder groups, including consumers, employees, investors, suppliers, communities, and non-profit organizations, through which stakeholder needs are received and appropriately addressed.	No material deviation
VI. Has the Company engaged a professional stock affairs agency to handle shareholders' meeting affairs?	V		The Company has engaged the Transfer Agency Department of CTBC Bank Co., Ltd. to exclusively handle stock affairs and matters relating to shareholders' meetings, so as to ensure that shareholders' meetings are convened in a lawful, effective, and secure manner.	No material deviation
VII. Information disclosure (I) Has the Company established a website to disclose financial, business, and corporate governance information?	V		The Company's website (https://www.sakura.com.tw) has established an Investor Relations section to disclose financial and business information, and a Corporate Governance section to disclose corporate governance information.	No material deviation
(II) Has the Company adopted other methods of information disclosure (such as establishing an English website, designating personnel responsible for the collection and disclosure of corporate information, implementing the spokesperson system, posting investor conference materials on the Company's website, etc.)?	V		An English website has been established to disclose relevant Company information. Specific personnel have been designated to handle the collection and disclosure of Company information, and the Company's information is disclosed externally from time to time through material information announcements or press releases. The Company has established and duly implemented the spokesperson system. At least two investor conferences are held each year, and the presentation materials are also disclosed on the Company's website for reference by shareholders and stakeholders.	No material deviation
(III) Does the Company announce and file its annual financial report within two months after the end of the fiscal year, and announce and file the first, second, and third quarter financial reports and monthly operating results ahead of the statutory deadlines?	V		The Company announces and files its annual and quarterly financial reports and monthly operating results within the deadlines prescribed under the Securities and Exchange Act. However, it has not yet announced and filed its annual financial report within two months after the end of the fiscal year.	No material deviation
VIII. Does the Company have any other important information that would facilitate understanding of the operation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, continuing education of directors and supervisors, implementation of risk management policies and	V		1. Employee rights and employee care: The Company has always treated employees with integrity and clearly stipulates the rights and obligations of both labor and management. In addition to protecting employees' basic rights in accordance with the Labor Standards Act, the Company has adopted various management regulations to safeguard employee rights. The Company also fosters sound relationships of mutual trust and reliance with employees through welfare measures and training programs, such as subsidizing employee club activities, providing regular	No material deviation

Assessment Item	Operational Status			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor:
	Yes	No	Summary	
risk measurement standards, implementation of customer policies, and directors' and supervisors' liability insurance coverage)?			<p>health examinations, medical consultation services, and employee parking facilities.</p> <p>2. Investor relations: The Company duly implements the spokesperson system to exclusively handle shareholder suggestions, and processes required information announcements and filings in accordance with competent authority regulations, thereby promptly providing information that may affect investors' decisions.</p> <p>3. Supplier relations: The Company has established long-term and close relationships with suppliers based on mutual trust and mutual benefit, jointly pursuing sustainable win-win growth.</p> <p>4. Stakeholder rights: The Company maintains open communication channels with its banks, employees, customers, suppliers, and other stakeholders, and respects and safeguards their legitimate rights and interests. A stakeholder section has also been established on the Company's website as a communication channel.</p> <p>5. For directors' continuing education, please refer to page 47 of this annual report.</p> <p>6. Implementation of risk management policies and risk measurement standards: The Company has established comprehensive internal control systems in accordance with applicable laws and regulations and has effectively implemented them. Appropriate risk assessments are also conducted for principal banks, customers, and suppliers to reduce credit risk. In addition, the Internal Audit Office reviews existing or potential risks in various operations and formulates a risk-based annual audit plan accordingly.</p> <p>7. Implementation of customer policies: The Company has established a Service Management Division dedicated to consumer services, handling customer complaints, repair services, and related matters. The official website also features the "SAKURA iCare" service platform, which integrates pre-sales, in-sales, and after-sales service processes to enhance service efficiency and customer experience.</p> <p>8. Directors' liability insurance coverage: The Company has purchased directors' liability insurance, and such coverage was reported to the Board of Directors on November 11, 2025.</p>	
<p>IX. Please describe improvements made based on the most recent corporate governance evaluation results published by the Corporate Governance Center of the Taiwan Stock Exchange, and for matters not yet improved, state priority enhancement items and measures (companies not included in the evaluation are not required to complete this section):</p> <p>Each year, based on the corporate governance evaluation results and the most recently published corporate governance evaluation indicators, the Company reviews each indicator that has not yet met the scoring criteria, formulates improvement plans, and reports them to the Board of Directors. Items improved in 2025 included disclosure of annual Scope 3 emissions in the 2024 ESG Report, and planning in response to newly added corporate governance evaluation indicators for 2025.</p>				

(IV) Status of the composition and operation of the Remuneration Committee:

1. The principal duties of the Remuneration Committee are to periodically review the Company's remuneration policies and plans; periodically review performance evaluation standards and remuneration policies, systems, standards, and structure for directors and managerial officers; periodically evaluate and determine remuneration for directors and managerial officers; and submit recommendations to the Board of Directors for discussion.
2. The Remuneration Committee consists of three members. The term of office of the current committee is from June 19, 2025 to June 18, 2028. Status of the composition of the Remuneration Committee members is as follows:

Identity	Criteria	Professional Qualifications and Experience	Independence Status	Number of Remuneration Committee Positions Concurrently Held at Other Public Companies
	Name			
Independent Director	Ming-Yuan Jheng (Convener)	Please refer to page 9 for the professional qualifications and experience of independent directors.	All members of the Company's Remuneration Committee meet the independence requirements set forth in Article 6 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange.	2
Independent Director	Chi-Wei Lin	Please refer to page 9 for the professional qualifications and experience of independent directors.		3
Others	Hui-Ping Lai	<ul style="list-style-type: none"> • Member of the Company's Remuneration Committee. • Ph.D. in Management, Asia University. • Specializes in human resource management, compensation management, labor regulations, and labor dispute resolution, and provides significant support to the Company in human capital development, employee relations, and the planning of compensation and management systems. • Formerly served as evaluator for the TTQS National Quality Program of the Workforce Development Agency of the Ministry of Labor, reviewer for the Youth Employment Flagship Program of the Workforce Development Agency of the Ministry of Labor, evaluator for the quality assessment of private employment service institutions engaged in cross-border manpower brokerage services, supervisor of the Taichung Labor Relations Association, adjunct assistant professor of the Department of International Business at National Taichung University of Science and Technology, and Administrative Vice President of Civil Group. • Currently serves as full-time Assistant Professor of the Department of Applied Foreign Languages at National Yunlin University of Science and Technology. • None of the circumstances set forth in Article 30 of the Company Act apply. 		0

3. Information on the operation of the Remuneration Committee

The Company held six Remuneration Committee meetings in 2025 (A). Attendance of committee members was as follows:

Title	Name	Number of Meetings Attended in Person (B)	Number of Meetings Attended by Proxy	Attendance Rate in Person (B/A)	Notes
Convener	Ming-Yuan Jheng	6	0	100%	Re-elected
Member	Hui-Ping Lai	6	0	100%	Re-elected
Member	Yu-Cheng Chen	3	0	100%	Former Director Meetings Required to Attend: 3
Member	Chi-Wei Lin	3	0	100%	Newly Appointed Meetings Required to Attend: 3

(Note) Date of assumption of office of the sixth Remuneration Committee: June 19, 2025.

Other matters required to be disclosed:

- I. Where the Board of Directors does not adopt or amends the recommendations of the Remuneration Committee, the date and session of the Board meeting, proposal content, resolution results, and the Company's handling of the Remuneration Committee's opinions shall be stated (where remuneration approved by the Board is more favorable than that recommended by the Remuneration Committee, the differences and reasons therefor shall also be stated): No such circumstances.
- II. Where any member has dissenting or qualified opinions regarding resolutions of the Remuneration Committee and such opinions are recorded or stated in writing, the date and session of the Remuneration Committee meeting, proposal content, opinions of all members, and handling of such opinions shall be stated: No such circumstances.
- III. Resolutions of the Company's Remuneration Committee in 2025 were as follows:

Meeting Date	Proposal Content	Resolution Results and the Company's Handling of the Remuneration Committee's Opinions
January 21, 2025 Fifth Term, 15th Meeting	1. Submission of the Company's 2024 year-end bonus proposal.	Approved unanimously by all attending committee members without objection.
March 11, 2025 Fifth Term, 16th Meeting	1. Submission of the Company's 2024 year-end bonus proposal. 2. Submission of the 2024 adjusted year-end bonuses for the Chairman and Vice Chairman. 3. Submission of the 2024 performance bonus for the President. 4. Submission of the 2024 employee compensation and directors' remuneration proposal. 5. Annual review of the reasonableness of managerial officers' performance and remuneration.	Approved unanimously by all attending committee members without objection.
May 7, 2025 Fifth Term, 17th Meeting	1. Proposal for allocation of the Company's 2024 directors' remuneration.	Approved unanimously by all attending committee members without objection.
June 30, 2025 Sixth Term, 1st Meeting	1. Remuneration proposal for the newly appointed Chairman. 2. Remuneration proposal for the newly appointed Vice Chairman. 3. Remuneration proposal for the newly appointed President.	Approved unanimously by all attending committee members without objection.
August 19, 2025 Sixth Term, 2nd Meeting	1. List of managerial officers proposed to receive the first issuance of 2025 restricted stock awards and the number of shares to be granted.	Approved unanimously by all attending committee members without objection.
October 1, 2025 Sixth Term, 3rd Meeting	1. Proposal for allocation of the Company's 2024 employee compensation.	Approved unanimously by all attending committee members without objection.

(V) Status of implementation of sustainable development and deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and reasons therefor:

Item	Implementation Status			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor:										
	Yes	No	Summary											
I. Has the Company established a governance framework for promoting sustainable development, set up a dedicated (or concurrent-duty) unit for promoting sustainable development, authorized senior management by the Board of Directors to handle related matters, and has the Board exercised oversight accordingly?	V		<p>The Company's Business Planning Office is responsible for coordinating the formulation of sustainable development strategies and implementation of plans, and reports to the Board of Directors on a quarterly basis. The Board supervises and provides guidance on relevant matters. Matters relating to sustainable development reported to the Board in 2025 were as follows:</p> <table border="1"> <thead> <tr> <th>Board Meeting Date</th> <th>Description of Proposal</th> </tr> </thead> <tbody> <tr> <td>March 11, 2025</td> <td>Report on progress of sustainable development initiatives and greenhouse gas inventory implementation for the fourth quarter of 2024.</td> </tr> <tr> <td>May 8, 2025</td> <td>Report on progress of sustainable development initiatives and greenhouse gas inventory implementation for the first quarter of 2025; explanation of domestic and international ESG evaluation results; explanation of the planned ESG work schedule for 2025.</td> </tr> <tr> <td>August 7, 2025</td> <td>Report on progress of sustainable development initiatives and greenhouse gas inventory implementation for the second quarter of 2025; submission of the 2024 ESG Report.</td> </tr> <tr> <td>November 11, 2025</td> <td>Report on progress of sustainable development initiatives and greenhouse gas inventory implementation for the third quarter of 2025; Group carbon reduction target-setting plan; communication with stakeholders in 2025.</td> </tr> </tbody> </table> <p>In alignment with national net zero targets, the Company introduced ISO 14064-1 in 2024 to implement greenhouse gas inventory methodology and operating mechanisms, thereby more effectively managing climate change risks and opportunities. During the same year, the Company established and enhanced indicators for the Task Force on Climate-related Financial Disclosures (TCFD).</p>	Board Meeting Date	Description of Proposal	March 11, 2025	Report on progress of sustainable development initiatives and greenhouse gas inventory implementation for the fourth quarter of 2024.	May 8, 2025	Report on progress of sustainable development initiatives and greenhouse gas inventory implementation for the first quarter of 2025; explanation of domestic and international ESG evaluation results; explanation of the planned ESG work schedule for 2025.	August 7, 2025	Report on progress of sustainable development initiatives and greenhouse gas inventory implementation for the second quarter of 2025; submission of the 2024 ESG Report.	November 11, 2025	Report on progress of sustainable development initiatives and greenhouse gas inventory implementation for the third quarter of 2025; Group carbon reduction target-setting plan; communication with stakeholders in 2025.	No material deviation
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II. Has the Company, based on the principle of materiality, conducted risk assessments on environmental, social, and governance issues relevant to its operations, and established related risk management policies or strategies?	V		<p>1. The Company has adopted the Opportunity and Risk Management Regulations and has long operated under a sound risk management framework to identify various risks that it may face, including management, market, financial, operational, information, emerging, ESG, and climate-related risks. Such risks are managed and controlled through relevant functional committees and responsible departments, ensuring that the Company may pursue business development under a comprehensive risk management mechanism while reducing the impacts of operating activities on the environment, society, and corporate governance.</p> <p>2. The Company conducts material topic assessments in accordance with sustainability reporting standards. Based on analyses of international standards (such as GRI and SASB) and the Company's sustainability strategy blueprint, the Company gathers sustainability issues of concern to stakeholders, and identifies material topics through analysis and prioritization of the likelihood and scale of positive and negative impacts on internal and external economic, environmental, and human rights (ESG) dimensions. For identified material topics, the Company formulates management approaches and establishes short-, medium-, and long-term objectives, and reviews achievement status annually. By integrating material topics into its routine risk management system, the Company strives to maintain a comprehensive risk management framework jointly implemented by the Board of Directors, management at all levels, and all employees, thereby reducing the impact of related risks.</p> <p>(1) Environmental: a. The Company manages climate-related risks from four</p>	No material deviation										

Item	Implementation Status			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor:
	Yes	No	Summary	
			<p>dimensions: governance, strategy, risk management, and metrics and targets. It formulates strategies and actions to address climate change, identifies material risks and opportunities arising from potential climate impacts, evaluates the financial impact pathways and magnitude of different scenarios for each risk factor, reviews corresponding response measures item by item, and establishes measurement indicators and target management to mitigate climate-related impacts.</p> <p>b. The Company has long implemented ISO 14001 as part of its environmental and energy management strategy, follows and enforces its environmental management system, and works together with employees on environmental pollution prevention initiatives (including air pollution control and hazardous substance management). External ISO audits are conducted to verify implementation effectiveness. In 2025, the Company continued to maintain ISO 14001 certification.</p> <p>c. The Company introduced ISO 14064-1 in 2024 and continues to strengthen its greenhouse gas management capabilities. While managing greenhouse gas emissions, the Company also seeks to reduce production energy consumption by actively promoting energy-saving and carbon reduction measures through energy planning, performance management, energy consumption analysis, equipment management, and other initiatives.</p> <p>d. The Company's water sources consist of domestic water supply and industrial wastewater. Domestic water quality is tested periodically by qualified inspection institutions to ensure compliance with local drinking water standards. Industrial wastewater is regularly tested by third parties to ensure no significant impact on the surrounding environment.</p> <p>e. The Company's waste consists of domestic waste and recyclable materials, with no hazardous waste. Waste currently generated from operations consists of general industrial waste, with no hazardous industrial waste. To effectively control industrial waste, the Company strictly implements a cyclical operating model for waste classification, collection, storage, management, and disposal in accordance with applicable regulations.</p> <p>f. The Company is committed to developing sustainable business models based on the circular economy, focusing on environmentally friendly and sustainable products and services. Through environmental certification systems, the Company works with its supply chain toward environmental sustainability while providing products and services that meet customer needs. The Company has long implemented ISO 9001 and continued to maintain ISO 9001 Quality Management System certification in 2025.</p> <p>(2) Social:</p> <p>a. In accordance with the Internal and External Communication Management Regulations, all departments are required to ensure through contracts or purchase orders that suppliers, contractors, and outsourced vendors comply with the Company's environmental, safety, and health management standards and obligations. The Company has long implemented ISO 45001 and continued to maintain ISO 45001 Occupational Health and Safety Management System certification in 2025.</p> <p>b. The Company values employees' labor rights and actively fosters a diverse, inclusive, and positive workplace. It has established multiple and ongoing communication channels with employees, including e-newsletters, Partner Cloud, monthly mobilization meetings, Line@Sakurans, and suggestion mailboxes. Where employee rights are impaired or infringed, employees may raise issues and seek assistance through internal grievance channels (with anonymous reporting functions and dedicated personnel handling such matters). All employees are treated equally and enjoy the same rights and benefits. The Company is committed to safeguarding fundamental human rights, continuously</p>	

Item	Implementation Status			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor:
	Yes	No	Summary	
			<p>promoting harmonious labor-management relations, and convening labor-management meetings to ensure smooth communication channels. Accordingly, the Company has established a complete and transparent two-way dialogue mechanism that enables the Company and its employees to fully understand each other.</p> <p>(3) Governance: The Company's Chief Corporate Governance Officer and directors participate in external training programs relating to corporate governance to enhance governance knowledge. Each year, all departments conduct internal control self-assessments to review implementation of internal controls and legal compliance during the previous year. To strengthen corporate governance and enhance risk management, the Company has adopted relevant regulations. Annual training sessions are regularly held on the Ethical Corporate Management Best Practice Principles and cybersecurity awareness, while best risk management practices are continuously refined and improved to protect the interests of employees, shareholders, business partners, and customers.</p>	
<p>III. Environmental issues</p> <p>(I) Has the Company established an appropriate environmental management system based on the characteristics of its industry?</p>	V		<p>1. The Company's environmental management system integrates its corporate climate adaptation strategies with occupational safety and health policies, covering air quality control, water resource management, waste reduction, ecological protection, and related areas. This has formed a management framework encompassing all plants and cross-departmental collaboration. The Company has currently established measures including the Quality and Environmental Management Manual and Environmental, Safety and Health Policy.</p> <p>2. The Company actively promotes energy management, energy conservation, and carbon reduction. Each year, all plants assess feasible energy improvement measures based on operational conditions, and implement improvements and energy-saving awareness programs according to specific projects. In 2025, the Company continued replacing equipment with low-energy-consumption models and maintaining equipment to preserve electricity efficiency. In manufacturing processes, production flows were optimized to reduce energy emissions. When replacing office equipment, priority was given to products bearing energy-saving labels and low-energy-consumption products. Employees are encouraged to maximize the use of recycled paper when using printers, and various processes are being digitalized to reduce paper consumption.</p> <p>3. With respect to environmental management, in March 2025 the Company installed water quality monitoring equipment at the Shengang Plant, including a Microcomputer Suspended Solids Controller and a Portable Multi-Parameter Water Quality Analyzer, in order to strengthen water quality monitoring. Pedestrian walkways were also planned at each plant site to avoid conflicts with plant vehicles and reduce workplace accident risks for employees.</p> <p>4. The Company has continued to maintain ISO 14001 Environmental Management System certification. The current certificate validity period is from August 15, 2023 to July 16, 2026.</p>	No material deviation
<p>(II) Is the Company committed to improving energy efficiency and using recycled materials with lower environmental impact?</p>	V		<p>1. In 2025, the Company continued upgrading Sakura AI Kitchen 2.0 by integrating AI technology with kitchen applications. Through improvements in process technology, product development, smart manufacturing, and innovative services, the Company has enhanced, optimized, and continuously developed high-efficiency and energy-saving products. Examples include AI range hoods that automatically activate and adjust speed based on temperature detection; AI gas stoves that select appropriate flame levels for different cooking needs and are equipped with timer and temperature-control functions; and RO series products equipped with the latest electronic display faucets that visualize water quality conditions, including TDS readings and filter cartridge status. While bringing convenience to consumers, the Company also works together with them to continuously reduce environmental</p>	No material deviation

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			<p>impact and create a more friendly and comfortable ecological environment.</p> <p>2. The Company improves resource waste and environmental pollution arising from operations through circular economy models. From procurement, manufacturing processes, domestic waste management, and recycling/reuse stages, the Company promotes positive circulation of raw materials and production (living) resources, jointly moving toward the goal of waste resource utilization and implementing circular economy models at headquarters and plant sites.</p>																																																	
(III) Has the Company assessed the potential risks and opportunities of climate change to current and future operations, and adopted relevant response measures?	V		<p>1. The Company conducts comprehensive climate risk management from four dimensions: governance, strategy, risk management, and metrics and targets. It formulates strategies and actions to address climate change, identifies material risks and opportunities arising from potential climate impacts, evaluates financial impact pathways and impact magnitude under different scenarios for each risk factor, reviews response measures item by item, and establishes measurement indicators and target management to reduce climate-related impacts.</p> <p>2. The Company has established planning horizons of short term (3 years), medium term (5-10 years), and long term (10 years) to formulate adaptation and mitigation plans suitable for physical risks faced by the Company. It continuously clarifies responsibilities and response approaches according to different climate risk categories and degrees of manageability, and establishes SOPs where appropriate.</p>	No material deviation																																																
(IV) Has the Company compiled greenhouse gas emissions, water consumption, and total waste weight for the past two years, and formulated policies for greenhouse gas reduction, water conservation, or other waste management?	V		<p>1. The Company targets net zero emissions by 2050 and formally introduced the ISO 14064-1 greenhouse gas inventory standard in 2024. The inventory boundary covers the Company's domestic plants and certain subsidiaries. Greenhouse gas emissions, water consumption, and waste volumes for the past two years are as follows:</p> <p style="text-align: right;">Unit: tCO₂e/year</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Item</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Scope 1 (direct emissions)</td> <td>989.3528</td> <td>717.6852</td> </tr> <tr> <td>Scope 2 (indirect emissions)</td> <td>3,038.6774</td> <td>3,201.6738</td> </tr> <tr> <td>Scope 3 (indirect emissions)</td> <td>1,129.3132</td> <td>1,153.7628</td> </tr> <tr> <td>Total greenhouse gas emissions</td> <td>5,157.3434</td> <td>5,073.1218</td> </tr> </tbody> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Item</th> <th>Unit</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Tap water consumption</td> <td>m³</td> <td>13,715.6568</td> <td>15,672.4101</td> </tr> <tr> <td>Employee water use intensity</td> <td>m³/headcount</td> <td>12.79</td> <td>13.99</td> </tr> </tbody> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Item</th> <th>Unit</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Hazardous waste</td> <td>metric tons</td> <td>0</td> <td>0</td> </tr> <tr> <td rowspan="2">Non-hazardous waste</td> <td>Domestic waste</td> <td>metric tons</td> <td>276.0000</td> <td>330.0000</td> </tr> <tr> <td>Non-domestic waste</td> <td>metric tons</td> <td>2,577.3190</td> <td>2798.2980</td> </tr> <tr> <td>Per capita waste generation</td> <td>metric tons</td> <td>2.66</td> <td>2.5</td> </tr> </tbody> </table> <p>2. In response to the impact of climate change on water resources, the Company has set a target of reducing water consumption by 1% annually and continues to promote water resource management strategies and action plans. These include promoting water recycling and reuse, evaluating the introduction of process water and wastewater recovery/recycling systems, monitoring water consumption, expanding diversified water utilization through comprehensive water management, strictly implementing prevention and control management, comprehensively improving water utilization through circulation, recovery, and reuse, and continuously introducing innovative water-saving solutions.</p>	Item	2024	2025	Scope 1 (direct emissions)	989.3528	717.6852	Scope 2 (indirect emissions)	3,038.6774	3,201.6738	Scope 3 (indirect emissions)	1,129.3132	1,153.7628	Total greenhouse gas emissions	5,157.3434	5,073.1218	Item	Unit	2024	2025	Tap water consumption	m ³	13,715.6568	15,672.4101	Employee water use intensity	m ³ /headcount	12.79	13.99	Item	Unit	2024	2025	Hazardous waste	metric tons	0	0	Non-hazardous waste	Domestic waste	metric tons	276.0000	330.0000	Non-domestic waste	metric tons	2,577.3190	2798.2980	Per capita waste generation	metric tons	2.66	2.5	No material deviation
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	Yes	No	Summary	
			<p>3. The Company's waste consists of domestic waste and general recyclable materials, with no hazardous waste. Waste currently generated from operations consists of general industrial waste, with no hazardous industrial waste. Through strategies such as source reduction, reuse, resource circulation, and strict flow management, the Company has established measures including active management and proper classification, strict implementation under the ISO 14001 Environmental Management System and related regulations, and legally compliant waste treatment, transportation, and reporting operations.</p> <p>4. The Company is committed to developing sustainable business models based on the circular economy, focusing on environmentally friendly products and services, improving manufacturing processes, advancing R&D technologies, introducing smart and automated equipment, strengthening product quality and carbon reduction benefits, and continuously creating sustainable green products.</p>	
<p>IV. Social issues</p> <p>(I) Has the Company established relevant management policies and procedures in accordance with applicable laws and regulations and international human rights conventions?</p>	V		<p>1. The Company's human rights policy is primarily based on internationally recognized human rights norms and principles, including the Universal Declaration of Human Rights, the United Nations Global Compact, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, with commitments to zero forced labor, zero discrimination, and the protection of dignity in the workplace.</p> <p>2. The human rights policy applies to all departments and units of the Company. The Human Resources Department is the principal responsible unit. Relevant policies currently in place for compliance by all employees include the Sexual Harassment Prevention Management Regulations, Management Regulations for Prevention of Unlawful Infringement Arising from the Performance of Duties, Management Regulations for Whistleblowing and Protection Against Fraudulent Conduct, and Management Regulations for Temporary and Contract Personnel. These policies are also incorporated into orientation training for new employees.</p> <p>3. The Company values employees' labor rights. It prohibits all forms of forced or compulsory labor and has no incidents involving child labor. Where material operational changes may affect employee rights and interests, advance notice is provided in accordance with the Labor Standards Act and other applicable laws and regulations in order to safeguard employee rights. When rights or interests are impaired or infringed upon, employees may raise issues and seek assistance through internal grievance channels.</p>	No material deviation
<p>(II) Has the Company established and implemented reasonable employee welfare measures (including compensation, leave, and other benefits), and appropriately reflected operating performance or results in employee compensation?</p>	V		<p>1. Employee compensation: Under the Company's year-end bonus system, bonuses are distributed to all employees based on the Company's overall profitability, the performance achievement of each business unit, and employees' years of service, grade level, and individual performance. Employee remuneration is allocated in accordance with the Articles of Incorporation, under which 2% to 8% of annual profits is appropriated as employee remuneration, and remuneration distributed to rank-and-file employees must account for 30% to 80% of the total employee remuneration amount. The Company conducts performance evaluations twice each year and periodically calibrates salary levels to maintain market-competitive compensation. Salary adjustments are made based on operating conditions, consumer price index trends, economic growth rates, and individual performance, thereby appropriately reflecting operating results in employee compensation.</p> <p>2. Leave and other benefits (1) Leave system The Company follows the leave system prescribed under the Labor Standards Act and additionally provides paid</p>	No material deviation

Item	Implementation Status			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor:
	Yes	No	Summary	
			<p>occupational injury/sick leave, maternity leave, prenatal check-up leave, paternity leave, paternity check-up leave, parental leave, family care leave, pregnancy protection leave, and menstrual leave.</p> <p>(2) Allowances, gifts, and subsidies The Company provides marriage gifts, childbirth gifts, relocation gifts, hospitalization and bereavement support payments, scholarships for employees' children, birthday gifts, festival vouchers (Labor Day / Mid-Autumn Festival), and Mother's Day gifts. In addition, subsidies are provided to employee-initiated clubs to encourage employees to enrich their leisure lives.</p> <p>(3) Employee stock ownership trust The Company established an employee stock ownership trust plan in October 2003. Employees who have completed six months of service may apply to participate. Fixed monthly contributions are made by employees, and the Company provides a matching contribution equal to 200% of the employee contribution to purchase Company shares. This helps employees build long-term savings, accumulate wealth, enhance their sense of participation in the Company, share in corporate operating results, and strengthen retirement security.</p> <p>(4) Retirement system Employees may apply for voluntary retirement after 15 years of service and reaching age 55, after 10 years of service and reaching age 60, or after 25 years of service. The Human Resources Department periodically reviews lists of employees approaching retirement eligibility, proactively understands retirement intentions, and assists with career planning. For employees eligible under the old pension scheme, the Company contributes 2% of total monthly salaries to a labor pension reserve account with the Bank of Taiwan. Before the end of March each year, the Company reviews whether the balance is sufficient. In 2025, NT\$1,764,000 was contributed to the old pension reserve account. As of December 31, 2025, the balance of the reserve account was NT\$160,943,000, sufficient to cover pension obligations for employees eligible for statutory retirement in the following year. For employees eligible under the new pension scheme, the Company contributes 6% of monthly salaries to each employee's individual pension account with the Bureau of Labor Insurance of the MOL. The recognized amount of contributions under the new scheme in 2025 was NT\$29,141,000.</p> <p>(5) Health management programs The Company conducts regular annual employee health examinations. After employees complete their examinations, appropriate follow-up actions and counseling measures are implemented based on the degree to which results deviate from applicable standards. Employees who wish to further understand their examination results may also consult directly with the examining physician, enabling more comprehensive awareness and management of their personal health conditions. The Company also promotes a variety of health enhancement initiatives, such as blood donation drives and health and safety awareness materials or seminars, to help employees strengthen health consciousness. In addition, the Company arranges for occupational medicine specialists to visit each plant at least once per quarter to conduct on-site workplace inspections and consultations, with the aim of understanding and caring for employees' health, safety, and physical and mental well-being. Where abnormalities are identified, timely communication is conducted with Human Resources, plant nurses, department supervisors, and employees so that suitable job assignments and health guidance may be provided.</p>	

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			<p>(6) Plant services and facilities Each plant is equipped with first-aid equipment to respond to emergencies. Lactation rooms are also provided to ensure that female employees returning after childbirth have a safe and healthy workplace environment and may work with peace of mind. Dedicated employee parking areas are also available so employees may commute and work with peace of mind.</p> <p>(7) Workplace diversity and equality The Company regards employees as its most important asset and is committed to providing a diverse and inclusive workplace environment rooted in a people-oriented culture. No discriminatory treatment in language, attitude, or conduct is permitted on the basis of gender, race, social class, age, marital status, language, ideology, religion, political affiliation, place of origin, birthplace, appearance, facial features, or physical or mental disability. The Company is committed to fostering a workplace that is dignified, safe, equal, and free from discrimination and harassment. Currently, male and female employees account for approximately 64% and 36% of the workforce, respectively, while male and female managers account for approximately 73% and 27%, respectively. The Company actively promotes workplace diversity and, amid the current global talent shortage, hopes to attract more outstanding talent to contribute to both the enterprise and society.</p>																			
(III) Does the Company provide employees with a safe and healthy working environment and conduct regular safety and health education for employees?	V		<p>1. The Company obtained ISO 45001 Occupational Health and Safety Management System certification in December 2018 in order to ensure a safe working environment for employees and to reduce workplace hazards and related illnesses. The current ISO 45001 certificate is valid from December 25, 2024 to December 24, 2027.</p> <p>2. The Company has established relevant occupational health and safety management policies and procedures and has also established an Occupational Health and Safety Committee. Each year, an annual occupational health and safety management plan is formulated, together with relevant environmental, safety, and health policies, management review systems, and environmental, safety, and health performance management measures. These are intended to effectively supervise, review, track improvements, and implement preventive measures so as to eliminate or reduce environmental, safety, and health risks arising during internal operations.</p> <p>3. The Company regularly conducts workplace environment monitoring for labor operations to ensure compliance with applicable workplace environment standards. All machinery and equipment are subject to daily, weekly, monthly, quarterly, semiannual, and annual inspections and checks to ensure operational safety. Workplace environment monitoring is conducted by law at special operation sites, and reports are publicly posted at the worksite. Fire protection systems are inspected monthly to confirm proper condition, and drills and regulatory filings are conducted in accordance with applicable laws.</p> <table border="1" data-bbox="598 1780 1236 2092"> <thead> <tr> <th colspan="3">Implementation of workplace environment monitoring inspections in 2025</th> </tr> <tr> <th>Workplace</th> <th>Monitoring factors</th> <th>No. of monitoring sessions</th> </tr> </thead> <tbody> <tr> <td>Daya Plant 2</td> <td>Noise, n-Hexane</td> <td>4</td> </tr> <tr> <td>Shengang Plant</td> <td>Noise, n-Hexane, Acetone, Xylene, Dust</td> <td>11</td> </tr> <tr> <td>Wuri Plant</td> <td>Noise, n-Hexane, Acetone, Xylene, Dust</td> <td>10</td> </tr> <tr> <td>Wuri Plant 2</td> <td>Noise, n-Hexane, Toluene</td> <td>5</td> </tr> </tbody> </table>	Implementation of workplace environment monitoring inspections in 2025			Workplace	Monitoring factors	No. of monitoring sessions	Daya Plant 2	Noise, n-Hexane	4	Shengang Plant	Noise, n-Hexane, Acetone, Xylene, Dust	11	Wuri Plant	Noise, n-Hexane, Acetone, Xylene, Dust	10	Wuri Plant 2	Noise, n-Hexane, Toluene	5	No material deviation
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			<p>4. The Company provides occupational safety and health training in accordance with applicable laws and regulations for new hires, current employees, and personnel engaged in specially hazardous operations, and retains relevant records for inspection.</p> <table border="1"> <thead> <tr> <th colspan="3">Occupational safety and health training implemented in 2025</th> </tr> <tr> <th>Course Title</th> <th>Sessions Held</th> <th>Participants</th> </tr> </thead> <tbody> <tr> <td>Orientation training for new hires</td> <td>5</td> <td>115</td> </tr> <tr> <td>In-service occupational safety and health training</td> <td>4</td> <td>379</td> </tr> <tr> <td>Hazard communication training</td> <td>4</td> <td>385</td> </tr> <tr> <td>Hearing conservation training</td> <td>3</td> <td>379</td> </tr> <tr> <td>Emergency response drills</td> <td>4</td> <td>393</td> </tr> </tbody> </table> <p>5. The Company employs a full-time occupational health nurse responsible for employee health management, prevention of workplace injuries and illnesses, first-aid response, and health promotion activities. The nurse also assists with annual health examinations for all employees, health analysis, and occupational disease prevention. The Company also works with full-time occupational medicine specialists from medical centers to provide regular on-site health services each month. Major service items include workplace environment assessments, occupational disease evaluations, health diagnosis, medical consultation, occupational disease prevention, and return-to-work assessments. In 2025, a total of 13 employees participated in return-to-work programs, and all 13 employees successfully resumed their positions, representing a 100% return-to-work rate.</p> <table border="1"> <thead> <tr> <th colspan="2">Implementation of occupational safety, health, and wellness services in 2025</th> </tr> <tr> <th>Item</th> <th>No. of sessions</th> </tr> </thead> <tbody> <tr> <td>General health examinations</td> <td>4</td> </tr> <tr> <td>Special health examinations</td> <td>3</td> </tr> <tr> <td>On-site health services provided by occupational medicine specialists</td> <td>12</td> </tr> </tbody> </table> <p>6. The Company had no material occupational accident incidents in 2025.</p>	Occupational safety and health training implemented in 2025			Course Title	Sessions Held	Participants	Orientation training for new hires	5	115	In-service occupational safety and health training	4	379	Hazard communication training	4	385	Hearing conservation training	3	379	Emergency response drills	4	393	Implementation of occupational safety, health, and wellness services in 2025		Item	No. of sessions	General health examinations	4	Special health examinations	3	On-site health services provided by occupational medicine specialists	12	
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(IV) Has the Company established effective career development and training programs for employees?	V		<p>1. The Company has established a comprehensive education and training system together with appropriate development programs, providing employees with diverse and well-rounded talent development channels. Detailed regulations governing employee continuing education and training are in place, and various training programs are implemented in a planned manner, including programs for new hires, professional and managerial capabilities, level-based development, functional training, general education and self-development, key talent cultivation, and overseas assignment training.</p> <p>2. In 2025, the Company recorded a total of 18,081 hours of internal and external training, with 5,429 participant attendances and total investment of approximately NT\$2.93 million.</p> <p>3. In the third quarter of 2025, the Company launched the third session of the TMO Transformation Office, which continues to serve as an incubation center for new cross-organizational initiatives and as a talent development platform for future workforce cultivation, encouraging employees to step beyond existing organizational boundaries. The Company also promoted its digital learning platform, eLearning Cloud, enabling employees to access practical skills and enriching knowledge anytime as a learning companion for both work and daily life.</p> <p>4. Talent is the Company's greatest growth driver and a key source of core competitiveness. The Company will continue to</p>	No material deviation																															

Item	Implementation Status			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor:
	Yes	No	Summary	
			spare no effort in creating an environment and resources that support continuous learning and development for employees.	
(V) With respect to customer health and safety, customer privacy, marketing, labeling, and other issues relating to products and services, does the Company comply with relevant laws and regulations and international standards, and has it established policies and complaint procedures to protect consumer or customer rights?	V		<ol style="list-style-type: none"> To safeguard consumer rights and interests, the Company has established a Service Policy White Paper, which clearly sets forth product warranty periods and service support periods for brands within the Group. The Company has also established Customer Complaint Handling Management Regulations. Consumers who have concerns regarding product quality or service quality may file complaints through the toll-free service hotline 0800-021818. After a case is formally logged by the customer service department, the relevant responsible units are immediately notified to contact the consumer and address the matter. Complaint handling results and corrective actions are reported within seven days. The Company regards customers' personal information as one of the most important assets in customer service. It complies with personal data protection laws and regulations, fully respects consumer privacy rights, and properly handles personal information provided by consumers. Accordingly, the Company has established internal information security management policies and implements information security operations and policy promotion. Internal information security implementation is regularly audited and reviewed. Where deficiencies are identified, the audited unit is required to submit corrective action plans and concrete measures, and improvement effectiveness is tracked periodically in order to reduce internal information security risks. The annual customer data management and maintenance rate has remained at 100%, and use of such data is restricted solely to departments dedicated to customer service. In 2025, customer satisfaction reached 93.2%, exceeding the 90% target, and no material information security incidents occurred. 	No material deviation
(VI) Has the Company established supplier management policies requiring suppliers to comply with relevant standards regarding environmental protection, occupational safety and health, labor rights, and related issues, and what is the status of implementation?	V		The Company has established the Supplier Management Guidelines, Procurement Management Guidelines, and Procurement Safety and Health Assessment Management Procedures. Suppliers are regularly evaluated on quality, cost, delivery, service (cooperation level), environmental protection, occupational safety and health, ESG performance, and other factors. Evaluation results are categorized into three grades—A, B, and C. Based on the respective grade, suppliers are required to implement corresponding improvement measures, enabling the Company to select high-quality and suitable supplier partners and build a sustainable supply chain ecosystem.	No material deviation
V. Has the Company prepared reports disclosing non-financial information, such as sustainability reports, with reference to internationally recognized reporting standards or guidelines? If so, have such reports obtained assurance or verification opinions from an independent third-party assurance provider?	V		<ol style="list-style-type: none"> The Company prepares a sustainability report with reference to the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies issued by the Taiwan Stock Exchange Corporation. The report is prepared in accordance with the Sustainability Reporting Standards published by the Global Reporting Initiative under the Core option, and the relevant information is disclosed on the Company's website for review by stakeholders. Based on the framework of the Task Force on Climate-related Financial Disclosures (TCFD), the Company manages identified climate change risks and opportunities through the four core pillars of Governance, Strategy, Risk Management, and Metrics and Targets. The Company also discloses sustainability indicators with material financial impact in accordance with the industry standards (Appliance Manufacturing) of the Sustainability Accounting Standards Board (SASB). 	No material deviation
		V	4. The sustainability report has not yet obtained assurance or an attestation opinion from an independent third-party assurance provider.	Third-party assurance is currently under planning.
VI. If the Company has adopted its own sustainability development principles in accordance with the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies, please describe any differences between actual operations and such principles: No material deviation.				

Item	Implementation Status			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor:
	Yes	No	Summary	
VII. Other important information helpful to understanding the Company's implementation of sustainability development:				
(I)			<p>Sustainability-related certifications and awards</p> <ol style="list-style-type: none"> ISO 9001 Quality Management System Certification (validity period:2024.06.27~2027.08.03) ISO 14001 Environmental Management System Certification (validity period: 2023.08.15~2026.07.16) ISO 45001 Occupational Health and Safety Management System Certification (validity period: 2024.12.25~2027.12.24) Awarded the No. 1 Ideal Brand by consumers for 36 consecutive years; products have received the Taiwan Excellence Awards for 23 consecutive years In 2025, received honors including the German Design Award and the Silver Award at the 34th Taiwan Excellence Awards 	
(II)			<p>Promotion of Corporate Vision and Culture</p> <p>Diversity and inclusion: In 2025, the Company continued to promote the Group's vision and culture. In the third quarter, it organized an artistic paper-cutting activity that enabled employees to express goodwill and rekindle inner inspiration, thereby fostering enthusiasm and shared engagement. In the same quarter, the Company also held the "SAKURA Stay in the Mountains" event, where employees from different departments collaborated on tasks such as tent setup and meal preparation through a camping activity.</p>	
(III)			<p>TMO Transformation Office Initiatives</p> <p>Since 2023, the Company has promoted the TMO project. In the second quarter of 2025, it held the results presentation for the second TMO cohort. Since the exploratory pilot phase of the first cohort, operations have steadily matured. In the fourth quarter, the third TMO cohort continued to operate as a talent incubation center for future workforce development, creating a platform that inspires creativity and innovation. The new cohort focused on six core themes: dealer journey enhancement, visualization of dealer capability blueprints, budget and expense control, new product validation and quality improvement, AI empowerment, and employee experience. A total of 67 employees participated, joined by senior managers serving as advisors, fostering mutual learning while exploring the feasibility of each theme.</p>	
(IV)			<p>Building an Outstanding Employer Brand</p> <p>The Company regards employer brand development as one of its key sustainability and corporate governance strategies. In the third quarter, it completed recruitment videos for selected positions to enhance recruitment information. It also advanced a mentorship system through mentor headcount planning and mentor capability building. During the third quarter, the Company held a "Digital Learning Workshop" to strengthen integrated application of AI tools and improve video production efficiency, while enabling employees to exchange knowledge across departments. Additional programs included a three-day frontline supervisor training course and a four-day performance management series, continuously strengthening talent attraction, development, and retention mechanisms.</p>	
(V)			<p>Public Welfare and Social Participation</p> <ol style="list-style-type: none"> The Company remains committed to cultivating emerging talent in kitchen and spatial design and hopes to fulfill its responsibility to educate future professionals and give back to society. As of 2025, it has held the Sakura Awards Integrated Kitchen Design Competition for 13 consecutive years. In 2025, the competition received 780 entries, and scholarships totaling NT\$375,000 were awarded. From 2012 to 2025, more than 6,000 student works have participated, and cumulative prize money awarded has approached NT\$5 million. The competition also serves as a platform connecting theory and practice, with student winners of gold, silver, and bronze awards receiving internship opportunities at the Company or with cooperating designers, enabling early workplace experience. The Company actively supports domestic sports development. In 2025, it sponsored the Taiwan Women's Golf Open Tournament, the baseball team of Shoutian Elementary School Baseball Team, and the Chinese Cross-Strait Golf Sports Association, with total donations of NT\$1.1 million. Following major natural disasters in Taiwan during 2025, the Company launched special consumer service assistance programs. These included support for flooding caused by overflow from the Mataian Creek barrier lake in Guangfu Township, providing free safety inspections and donating water heaters and gas stoves in hopes of helping affected households restore safe daily living as soon as possible. The Company has long made donations to the Sakura Cultural and Educational Foundation to support cultural and educational public welfare activities and foster outstanding students and excellent medical talent. Total donations in 2025 amounted to NT\$2.7 million. The Sakura Education Scholarship has now reached its 37th year, with 228 students receiving awards this year. The Company also maintains positive relationships with communities surrounding its plants in Taichung and has long invested in local community care. It supports and donates to local development associations, community arts and cultural programs, temples, fire brigades, police units, and social welfare organizations. Total donations to such groups in 2025 amounted to NT\$1.65 million. Through its corporate influence, the Company seeks to contribute to society, build a harmonious community of shared prosperity, and fulfill its corporate citizenship responsibilities. 	
(VI)			<p>For detailed information, please refer to Taiwan Sakura Corporation's ESG Report available on the Company's website.</p>	

(VI) Climate-related information for TWSE/TPEX-listed companies

1. Implementation status of climate-related information

Item	Implementation Status											
1. Describe the Board's and management's oversight and governance of climate-related risks and opportunities.	The Board serves as the highest decision-making body for ESG, climate, and opportunity-related matters, responsible for reviewing overall climate change management policies, major resolutions, and supervising the effective operation of climate management mechanisms. The Business Planning Office formulates short-, medium-, and long-term sustainability goals, integrates internal departments and external expert resources, promotes strategies through cross-functional coordination, identifies ESG and climate issues relevant to operations, formulates corresponding strategies, and periodically reports progress on ESG and climate risks and opportunities to the Board, which oversees corporate sustainability strategies and actions.											
2. Describe how identified climate-related risks and opportunities affect the Company's business, strategy, and finances (short-, medium-, and long-term).	The Company's identified climate-related risks and opportunities cover products, services, supply chain, R&D, finance, investment, and operations. Based on the probability and impact level of each risk and opportunity, and the degree of understanding of relevant circumstances, the Company further analyzes potential financial impacts on the organization and formulates corresponding response strategies.											
	Risk Type	Risk Category	Climate Risk Issue	Potential Financial Impact					Timing of Impact	Response Strategy		
			Reduced revenue	Increased expenditures	Asset impairment	Increased liabilities	Capital reduction	Financing constraints				
			Policies and Regulations	1. Domestic and international net zero emissions target requirements	v	v	v	v	v	v	Short term	1. Collaborate with suppliers to install renewable energy facilities.
				2. Mandatory regulations on products and services	v	v	v		v	v	Short term	2. Continue reducing emissions and optimizing production processes.
				3. Carbon taxes and related regulations	v	v	v				Short term	3. Continue improving energy efficiency.
				4. Renewable energy regulations	v	v	v	v		v	Short term	4. Promote energy conservation and carbon reduction plans, and establish medium- to long-term reduction targets and transition plans.
				5. Voluntary standards		v	v				Medium term	5. Energy self-sufficiency initiatives (identify renewable energy installation opportunities).
				6. Climate policies and regulations	v	v	v	v			Medium term	6. Evaluate the adoption of an internal carbon pricing mechanism to strengthen internal decarbonization actions.
				7. Litigation	v	v					Long term	7. Continue monitoring regulatory developments in various countries. 8. Strengthen sustainability management collaboration with suppliers.
			Technology	1. Products and services being replaced by other low-carbon alternatives	v	v	v		v	v	Medium term	1. Strengthen standardized processes to improve quality.
				2. Costs of transitioning to low-carbon technologies and manufacturing processes	v	v	v				Medium term	2. Identify opportunities to install renewable energy facilities (solar power). 3. Conduct R&D on environmentally friendly recyclable products and low-carbon production processes. 4. Strengthen the development and retention of R&D talent. 5. Continue developing circular economy and low-carbon manufacturing processes.
			Reputation	1. Negative corporate image caused by climate issues	v			v	v	v	Long term	1. Continue investing in smart / environmentally friendly product R&D.
				2. Industry stigmatization	v				v	v	Long term	2. Develop diversified energy-saving / environmentally friendly / green products. 3. Establish standard operating procedures for on-site tasks and emergency response, and conduct regular drills.
			Market	1. Customers changing supply chain cooperation criteria	v	v	v	v	v		Short term	1. Develop new customers, improve equipment, or optimize production processes. 2. Establish long-term contract strategies with customers. 3. Continue investing in smart and environmentally friendly product R&D. 4. Formulate net zero strategies, pathways, and targets, and continuously manage carbon reduction performance. 5. Monitor customer sustainability trends, incorporate them into Sakura's product development strategy, and proactively respond to customer needs.

Item	Implementation Status												
	Risk Type	Risk Category	Climate Risk Issue	Potential Financial Impact				Timing of Impact	Response Strategy				
				Reduced revenue	Increased expenditures	Asset impairment	Increased liabilities			Capital reduction	Financing constraints		
	Transition Risk	Market	2. The Company's insufficient contribution to climate change mitigation affecting investor willingness to invest	v					v	v	Long term	1. Strengthen supplier sustainability management and upstream/downstream collaboration. 2. Formulate net zero strategies, pathways, and targets, and continuously manage carbon reduction performance.	
			3. Increase in production costs	v		v	v					Medium term	1. Establish long-term contract strategies with suppliers. 2. Diversify raw material sourcing. 3. Strengthen sustainability management collaboration with suppliers.
			4. Customer demand for sustainable / environmentally friendly / low-carbon products	v	v	v	v					Medium term	1. Conduct R&D on environmentally friendly recyclable products and low-carbon manufacturing processes. 2. Obtain additional energy-efficiency product certifications.
			5. Consumers shifting to environmentally friendly and low-carbon products	v	v	v						Medium term	2. Obtain additional energy-efficiency product certifications.
			6. Supply chain greenhouse gas reduction requirements		v							Medium term	1. Strengthen sustainability management collaboration with suppliers. 2. Formulate net zero strategies, pathways, and targets, and continuously manage carbon reduction targets.
			7. Currency exchange rate fluctuation risk	v	v	v			v			Long term	1. Strengthen hedging instruments in accordance with risk management strategies. 2. Monitor market trends and flexibly formulate and adjust corresponding response plans.
			8. Distributors facing poor operations	v	v				v			Long term	1. Establish operating strategies with customers to improve distributors' business performance. 2. Strengthen sustainability management collaboration with suppliers.
			9. Employees facing health threats	v	v							Short term	1. Continue investing in smart and environmentally friendly product R&D. 2. Provide employees with a healthy and friendly working environment. 3. Provide employee health examinations.
			Physical Risk	Chronic	1. Changes in weather patterns (droughts, increased consecutive dry days, water shortages)	v	v	v	v				
	2. Changes in weather patterns (rising average temperatures)	v			v	v	v					Long term	
	Acute	1. Acute weather events (earthquakes)		v	v	v	v					Short term	1. Strengthen emergency response measures and implement split-shift / split-line mass production.
		2. Acute weather events (power shortages)		v	v	v	v					Short term	2. Regularly inspect / clear drainage systems.
		3. Acute weather events (flooding, typhoons)		v	v	v	v					Short term	3. Formulate backup water supply plans.
		4. Acute weather events (floods, droughts)		v	v	v	v					Short term	
	Opportunity	Resource Efficiency		1. Energy management programs		v	v	v					Medium term
			2. Smart manufacturing at plant sites		v	v	v					Medium term	Utilize AI and big data to optimize processes and improve equipment efficiency.
			3. Rainwater recycling systems		v							Long term	Evaluate investment in rainwater recycling systems to reduce dependence on water resources.
		Products and Services	Environmentally friendly and low-carbon products and packaging		v							Medium term	1. Capture business opportunities and market deployment for energy-saving products. 2. Develop low-carbon manufacturing technologies, reduce product carbon footprints, and enhance product competitiveness.
		Market	Increased opportunities for electricity-consuming products		v							Medium term	Provide customers with innovative energy-saving solutions and services.
		Resilience	Integrated supply chain response capability		v							Long term	Continue strengthening supply chain capabilities in responding to climate change and reduce the risk of operational disruption.

Item	Implementation Status
3. Describe the financial impact of extreme climate events and transition actions.	<p>1. Financial impact of extreme climate events:</p> <ul style="list-style-type: none"> (1) Reduced revenue: Extreme climate events may cause difficulties or disruptions in raw material transportation and reduce market demand, thereby reducing revenue. (2) Increased expenditures: To respond to extreme climate changes, additional manpower and related equipment may be required, together with the establishment of emergency response SOPs and practical drills. (3) Asset impairment: Under extreme climate changes, various assets and equipment may face the risk of damage. (4) Increased liabilities: If operations are affected, resulting in reduced revenue and increased expenditures, profitability may decline and working capital requirements may increase. <p>2. Financial impact of transition actions:</p> <ul style="list-style-type: none"> (1) Increased expenditures: Transition to low-carbon technologies may increase R&D costs and supply chain costs. (2) Asset impairment: Existing assets may need to be retired as low-carbon products replace current products.
4. Describe how the identification, assessment, and management processes for climate risks are integrated into the overall risk management system.	<p>To strengthen climate risk response capabilities and ensure consistency in management processes, the Company has systematically integrated the identification procedures for climate-related risks and opportunities into its existing ISO management systems (including ISO 14001, ISO 9001, and ISO 14064-1), thereby establishing a consistent and traceable climate risk management framework.</p> <p>Through its annual internal and external issue identification process, the Company identifies, assesses, controls, monitors, and communicates climate change-related risks and opportunities to ensure that potential impacts can be recognized and addressed at an early stage. Relevant departments conduct bottom-up, multi-dimensional risk assessments based on their respective responsibilities and site-specific characteristics, incorporating perspectives from operations, procurement, equipment, and regulatory compliance to identify climate issues highly relevant to operating objectives and likely to cause financial impact or operational disruption. The assessment process is based on the TCFD framework and categorizes risks into transition risks (such as policy and regulatory changes, technological upgrades, shifts in market preferences, and reputational risks) and physical risks (such as extreme weather events, rising temperatures, and declining water availability), supplemented by climate scenario simulation tools to estimate financial impacts.</p> <p>In addition, after cross-analysis using a risk probability and impact matrix, high-priority issues are consolidated and incorporated into operating decision-making to facilitate the formulation of specific risk response plans and monitoring indicators, thereby enhancing the organization's overall climate resilience and risk control effectiveness.</p>
5. If scenario analysis is used to assess resilience against climate change risks, the scenarios, parameters, assumptions, analytical factors, and major financial impacts should be described.	<p>To strengthen its ability to anticipate the long-term impacts of climate change, the Company systematically identifies potential climate-related risks and opportunities based on its medium- to long-term development strategy, climate risk big data analysis, domestic and international research reports, and ESG rating indicators, and selects highly relevant and highly sensitive key operating targets as scenario analysis subjects. In addition, through climate scenario simulation, forward-looking assessments are conducted regarding the potential impacts on market size, operating costs, and overall strategy, providing decision-making support for enhancing climate resilience and optimizing resource allocation. Different climate scenario pathways are adopted to simulate the currently most significant transition risks (such as carbon pricing, energy structure transition, and regulatory adjustments) and physical risks (such as extreme rainfall, drought, and high temperatures), incorporating quantitative assessment factors (such as temperature, rainfall variability, and carbon cost changes). The simulation results are used as a basis for internal decision-making and adaptive risk management.</p> <p>For scenario setting, the Company uses the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP), established by the National Science and Technology Council, as its climate data source. Referring to the IPCC's Shared Socioeconomic Pathways (SSPs) and Representative Concentration Pathways (RCPs) cross-simulation models, the Company consolidates various socioeconomic development assumptions, greenhouse gas (GHG) emission levels, and pollutant changes, using four representative climate pathways—SSP1-2.6 (low emissions), SSP2-4.5 (medium emissions), SSP3-7.0 (high emissions), and SSP5-8.5 (very high emissions)—as the basis for risk estimation. The Company further selected SSP1-2.6 (manageable climate risk) and SSP5-8.5 (extreme climate risk scenario) for scenario simulation, conducting dynamic analyses of temperature and rainfall variability in Taiwan to assess potential impacts under different scenarios on production sites, operating costs, equipment weather resistance, and supply chain stability. These results serve as reference inputs for formulating the Company's medium- to long-term climate resilience strategies and technology investment plans. To enhance the decision-support value of climate scenario simulation and financial impact analysis, the Company further integrates climate scenario simulation into its medium- to long-term operating strategies, capital expenditure planning, and supply chain risk assessments. Through cross-functional collaboration, it is building a financial impact map for climate risks covering revenue, costs, and assets.</p> <p>At the same time, with reference to benchmark companies' dual-axis risk matrix methodology, the Company classifies and rates transition risks and physical risks based on probability of occurrence and degree of impact, identifies a priority list of high-concern risks, and plans to strengthen cross-departmental action integration and internal supervision mechanisms. In terms of information disclosure, Sakura is gradually aligning with benchmark practices by presenting scenario simulation results through visual charts to enhance stakeholders' understanding of climate governance strategies and financial sensitivity, while preparing for future comprehensive disclosure in accordance with international standards such as ISSB Sustainability Standards, IFRS S2, and TNFD.</p>

Item	Implementation Status								
6. If there is a transition plan for managing climate-related risks, the plan content and the indicators and targets used to identify and manage physical and transition risks should be described.	To address the global transition toward net zero emissions and the physical risk challenges brought by climate change, Sakura has established a climate indicator and target management mechanism closely linked to its core operations as the basis for implementing climate governance strategies and tracking performance. The Company has established specific short-, medium-, and long-term management targets for different types of climate risks and introduced quantifiable performance indicators based on business characteristics and operating scenarios, enabling continuous monitoring, review, and rolling adjustment of risk response strategies.								
	Risk Type		Indicator		Short-term target		Medium-term target		Long-term target
	Transition Risk	Policies and Regulations	Carbon Management	Establish Group carbon reduction targets	Implementation planning for the Group's 2050 carbon neutrality (net zero) target				
	Physical Risk	Changes in weather patterns	Climate change risk management	Conduct material climate change risk identification, complete physical risk RCP scenario simulations, and formulate transition risk plans based on target scenario simulation results.	Carry out Phase II TCFD implementation (risk response) at Taiwan headquarters.	Conduct rolling reviews of the Group's climate change risks, opportunities, and corresponding actions			
7. If internal carbon pricing is used as a planning tool, the basis for price setting should be described.	Still under planning.								
8. If climate-related targets have been established, the activities covered, greenhouse gas emission scopes, planning schedule, annual progress, and other relevant information should be described. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve such targets, the source and quantity of offset emissions reductions or RECs should also be disclosed.	The Company has set achieving carbon neutrality and progressing toward 2050 net zero carbon emissions as its long-term objective. The currently planned carbon reduction management strategies and pathways are listed below, covering short-, medium-, and long-term carbon management implementation plans. Going forward, the Company will continue aligning with government policies and industry trends, and plans to introduce digital management tools and third-party verification systems to strengthen the transparency and traceability of carbon reduction performance, thereby advancing low-carbon operational transformation and sustainable competitiveness.								
	2022	2023	2024		2025	2027	2028	2029	2050
	Independently conduct greenhouse gas inventories for the parent company	Adopt the TCFD framework	1. Adopt ISO 14064 greenhouse gas inventory standards 2. Enhance the TCFD framework, conduct material climate change risk identification, and complete physical risk RCP scenario simulations 3. Launch carbon reduction (low-carbon) management strategy and pathway initiatives		1. Establish carbon reduction (low-carbon) management strategies and pathways 2. Voluntarily disclose Scope 3 emissions	Introduce greenhouse gas inventories for consolidated companies	Sakura obtains greenhouse gas assurance / verification	Consolidated companies obtain greenhouse gas assurance / verification	Achieve carbon neutrality / net zero carbon emissions
9. Status of greenhouse gas inventories and assurance, and reduction targets, strategies, and specific action plans (to be further disclosed in 1-1 and 1-2).	Please refer to Sections 1-1 and 1-2 below for details.								

1-1 Greenhouse gas inventory and assurance status of the Company for the most recent two years

1-1-1 Greenhouse gas inventory information

Please describe the greenhouse gas emissions (tCO₂e), intensity (tCO₂e / NT\$ million), and data coverage scope for the most recent two years.

As the Company's paid-in capital is less than NT\$5 billion, according to the timeline set forth in the "Sustainable Development Roadmap for TWSE/TPEX Listed Companies" announced by the Financial Supervisory Commission, the Company is required to complete disclosure of standalone parent company inventory information beginning in 2026, and disclosure of subsidiary inventory information included in the consolidated financial statements beginning in 2027.

Please refer to page 32 for the Company's greenhouse gas inventory information for the most recent two years.

1-1-2 Greenhouse gas assurance information

Please describe the assurance status for the most recent two years as of the annual report publication date, including the assurance scope, assurance provider, assurance standards, and assurance opinion.

As the Company's paid-in capital is less than NT\$5 billion, the Company will follow the implementation schedule under the "Sustainable Development Roadmap for TWSE/TPEX Listed Companies" announced by the Financial Supervisory Commission, and plans to complete disclosure of standalone parent company assurance information beginning in 2028, and disclosure of subsidiary assurance information included in the consolidated financial statements beginning in 2029.

1-2 Greenhouse gas reduction targets, strategies, and specific action plans

Please describe the greenhouse gas reduction base year and related data, reduction targets, strategies, specific action plans, and progress toward achieving such targets.

The Company's greenhouse gas reduction targets, strategies, and specific action plans are currently under planning.

(VII) Implementation of ethical corporate management and differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor:

Assessment Item	Operational Status			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary	
I. Establishment of ethical corporate management policies and programs				
(I) Has the Company established an ethical corporate management policy approved by the Board of Directors, and clearly stated in its regulations and external documents the policy, practices, and the commitment of the Board of Directors and senior management to actively implement such policy?	V		The Company has established the Ethical Corporate Management Best Practice Principles, approved by the Board of Directors, and posted them on both its internal and external websites. "Integrity" is a core value deeply embedded in the Company's culture. The Company conducts all business activities in accordance with consistently high ethical standards and strictly requires every employee to comply with its integrity policies. In addition, both the Board of Directors and senior management have signed declarations undertaking compliance with the aforementioned ethical corporate management policy.	No material deviation
(II) Has the Company established a mechanism for assessing the risk of unethical conduct, regularly analyzed and assessed business activities within its operating scope that are at higher risk of unethical conduct, and formulated prevention programs covering at least the preventive measures for the conduct listed in Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?	V		The Code of Professional Ethics serves as the core guideline for the Company's implementation of its values. It requires not only all Company employees, but also members of subsidiaries, to uphold high ethical standards, safeguard corporate reputation, and comply with applicable laws and regulations. In addition to publishing the Ethical Corporate Management Best Practice Principles and the Employee Professional Ethics Management Regulations on the internal website for employees' reference at any time, the Company also promotes its core values through training programs, emails, and other communication channels. Furthermore, the Company provides multiple reporting channels for unethical conduct, imposes strict disciplinary actions on violators, and takes legal action when appropriate.	No material deviation
(III) Has the Company clearly stipulated in its prevention programs operating procedures, codes of conduct, disciplinary measures, and complaint systems for violations, implemented them effectively, and regularly reviewed and revised such programs?	V		Under the framework of its Code of Professional Ethics, the Company has established relevant rules and procedures governing financial report preparation, insider trading, intellectual property protection, confidential information protection, personal data protection, and document retention and destruction. To ensure the accuracy, reliability, and timeliness of financial, managerial, and business information, the internal audit function conducts various audits in accordance with the annual audit plan approved by the Board of Directors, and reports the audit results and subsequent improvement plans to the Board of Directors and management to ensure effective audit execution.	No material deviation
II. Implementation of ethical corporate management				
(I) Does the Company assess the integrity records of its counterparties and stipulate ethical conduct clauses in contracts entered into with transaction counterparties?	V		The Company has consistently taken maximizing benefits for shareholders and employees as its guiding principle. In terms of legal compliance, the Company complies with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, regulations governing TWSE/TPEX listed companies, and other laws and regulations related to commercial conduct, thereby deepening a corporate culture of integrity and respect. Before conducting procurement activities, the Company evaluates vendors to confirm whether they qualify as approved suppliers, and stipulates breach penalties in contracts. The Company also communicates its professional ethical standards to customers through various customer audit activities from time to time and engages in exchanges on related topics.	No material deviation

Assessment Item	Operational Status			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary	
(II) Has the Company established a dedicated unit under the Board of Directors to promote ethical corporate management, and does it report regularly (at least once a year) to the Board on its ethical corporate management policies, prevention programs for unethical conduct, and supervision of implementation?		V	<p>The Human Resources Department is responsible for formulating and assigning implementation of the Company's ethical corporate management policies and prevention programs, and reports to the Board of Directors at least once annually. The most recent report was made on November 11, 2025. The Company's implementation of ethical corporate management in 2025 was as follows:</p> <ol style="list-style-type: none"> 1. Regulations and systems The Company has established management rules including the Ethical Corporate Management Best Practice Principles, Employee Professional Ethics Management Regulations, Insider Trading Prevention Management Regulations, and Fraud Reporting and Protection Management Regulations, all of which are available on the internal website for reference. 2. Commitment All employees are required to sign an employee service agreement upon onboarding, undertaking compliance with relevant integrity requirements. 3. Orientation training for new employees The Company held five orientation training sessions for new employees in 2025, with a total of 140 participants. These sessions clearly communicated Sakura's ethical corporate management requirements and introduced Sakura's core values of Integrity, Foresight, Passion, Professionalism, and Sharing. 4. Management training In May 2025, the Company conducted two training sessions for business supervisors, with a total of 64 participants, focusing on business risk control and fraud prevention. 5. Company-wide monthly mobilization meetings In 2025, the Company conducted three sessions promoting ethical corporate management policies during company-wide monthly mobilization meetings, attended by approximately 400 participants. Topics included prohibition of unethical conduct, bribery, improper benefits, inappropriate gifts and entertainment, and reporting channels. 	No material deviation
(III) Has the Company established policies for preventing conflicts of interest, provided appropriate reporting channels, and implemented such policies?	V		The Company has established relevant conflict-of-interest prevention policies under the Ethical Corporate Management Best Practice Principles and the Employee Professional Ethics Management Regulations. If any relevant personnel are found to have violated conflict-of-interest requirements, reports may be submitted through appropriate channels to the Internal Audit Office.	No material deviation
(IV) To implement ethical corporate management, has the Company established effective accounting systems and internal control systems, and has the internal audit unit formulated relevant audit plans based on the assessment results of unethical conduct risks to examine compliance with prevention programs, or commissioned accountants to perform audits?	V		The Company places great emphasis on the accuracy and completeness of financial reporting processes and related controls. For operating procedures with potentially higher risks of unethical conduct, the Company has designed relevant internal control systems. Internal audit also conducts various audits in accordance with annual audit plans formulated based on risk assessment results, and reports the results and subsequent improvement plans to the Board of Directors and management to ensure effective audit implementation. In addition, through the annual internal control self-assessment process, all departments and subsidiaries are required to review the effectiveness of the design and implementation of internal control systems.	No material deviation
(V) Does the Company regularly conduct internal and external training on ethical corporate management?	V		The Company has incorporated the Ethical Corporate Management Best Practice Principles into mandatory orientation training for new employees. In addition, ethical corporate management requirements are regularly promoted through company-wide monthly mobilization meetings.	No material deviation

Assessment Item	Operational Status			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary	
III. Operation of the Company's whistleblowing system (I) Has the Company established a specific whistleblowing and reward system, convenient reporting channels, and designated appropriate personnel responsible for receiving reports against the reported party?	V		Under the "Employee Professional Ethics Management Regulations," the Company has established employee reporting channels. If any violation of ethical corporate management requirements is discovered, reports may be made to managerial officers, the head of internal audit, or supervisors at any level. Upon receiving a report, relevant personnel shall notify the Internal Audit Office.	No material deviation
(II) Has the Company established standard operating procedures for investigating reported matters, follow-up measures after completion of investigations, and relevant confidentiality mechanisms?	V		The Company's Employee Professional Ethics Management Regulations have established relevant procedures. For violations of ethics, integrity, or fraudulent conduct, the complaint or reporting methods and channels are as follows: Email: 1008983@sakura.com.tw Telephone: (04)2566-6106 ext. 827	No material deviation
(III) Has the Company adopted measures to protect whistleblowers from improper treatment as a result of making reports?	V		The Company has designated dedicated personnel responsible for handling complaints or reports to ensure that whistleblowers are protected throughout the reporting process and are not subject to disciplinary action or other improper treatment as a result of making a report.	No material deviation
IV. Strengthening information disclosure Does the Company disclose on its website and the Market Observation Post System (MOPS) the contents of its ethical corporate management principles and the results of implementation?	V		The Company has disclosed the Ethical Corporate Management Best Practice Principles on its internal website for employees' reference at any time. The Company's website, MOPS, and its Corporate Social Responsibility Report also provide detailed disclosure of the contents of its ethical corporate management principles and implementation results.	No material deviation
V. If the Company has adopted its own ethical corporate management principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies," please describe any differences between the operation thereof and the prescribed principles: The Company has adopted the Ethical Corporate Management Best Practice Principles, which all employees, managerial officers, and members of the Board of Directors are required to comply with, together with the relevant rules. There is no material difference between the operation of the Company's Ethical Corporate Management Best Practice Principles and the prescribed principles.				
VI. Other important information helpful to understanding the operation of the Company's ethical corporate management (such as the Company's review and amendment of its ethical corporate management principles): (I) The Company complies with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, regulations applicable to listed companies, and other laws and regulations related to commercial conduct as the foundation for implementing ethical corporate management. (II) The Company's Rules of Procedure for Board of Directors Meetings provide for a director recusal system. Where a director has an interest in any proposal submitted to the Board, whether personally or through the juristic person the director represents, the director shall explain the material aspects of such interest at the relevant Board meeting. Where there is concern of prejudice to the Company's interests, the director shall not participate in discussion or voting, shall recuse himself or herself during discussion and voting, and may not exercise voting rights on behalf of another director. (III) The Company has adopted the Management Regulations for Handling Material Inside Information and Prevention of Insider Trading, which expressly provide that directors, managerial officers, and employees may not disclose material non-public inside information known to them to others, may not inquire into or collect undisclosed internal information unrelated to their duties from persons possessing such information, and may not disclose to others any undisclosed internal information learned other than through the performance of duties. (IV) The Company's Corporate Planning Office, as the responsible unit, periodically reviews and revises the "Ethical Corporate Management Best Practice Principles," submits them to the Audit Committee for approval, implements them upon approval by the Board of Directors, and reports them to the shareholders' meeting.				

(VIII) Other important information helpful to understanding the operation of corporate governance:

1. The principal methods by which the Company's directors undertake continuing education include:
 - (1) Continuing education courses related to politics, economics, or laws and regulations arranged for directors by the Chief Corporate Governance Officer.
 - (2) Directors independently attending external training courses as needed.
2. The continuing education undertaken by the incumbent directors in 2025 was as follows:

Title	Name	Date	Organizer	Course Title	Course Hours
Chairman	Yung-Chieh Chang	August 7, 2025	Independent Director Association Taiwan	Applications and Challenges of Generative AI from the Perspective of ChatGPT	3
		November 11, 2025	Independent Director Association Taiwan	Corporate Brand Management and Maintenance Strategies – Building a Corporate Image Communication Defense System	3
Representative of Corporate Director	Yuo-Tu Lin	August 7, 2025	Independent Director Association Taiwan	Applications and Challenges of Generative AI from the Perspective of ChatGPT	3
		November 11, 2025	Independent Director Association Taiwan	Corporate Brand Management and Maintenance Strategies – Building a Corporate Image Communication Defense System	3
Representative of Corporate Director	Gen-Cheng Wu	June 23, 2025	The Greater China Financial Development Association	The Arrival of the AI Era: Opportunities and Challenges of Intelligent Business Transformation	3
		July 24, 2025	Taiwan Corporate Governance Association	Prevention and Resolution of Labor Disputes and Corporate Governance (Including the Gender Equality in Employment Act)	3
Representative of Corporate Director	Hui-Hsun Lee	August 7, 2025	Independent Director Association Taiwan	Applications and Challenges of Generative AI from the Perspective of ChatGPT	3
		November 11, 2025	Independent Director Association Taiwan	Corporate Brand Management and Maintenance Strategies – Building a Corporate Image Communication Defense System	3
Representative of Corporate Director	Ching-Wen Chang	August 7, 2025	Independent Director Association Taiwan	Applications and Challenges of Generative AI from the Perspective of ChatGPT	3
		November 11, 2025	Independent Director Association Taiwan	Corporate Brand Management and Maintenance Strategies – Building a Corporate Image Communication Defense System	3
Representative of Corporate Director	Yih-Yuan Hsu	August 7, 2025	Independent Director Association Taiwan	Applications and Challenges of Generative AI from the Perspective of ChatGPT	3
		August 26, 2025	Taiwan Project Management Association	Corporate Sustainable Development and Lean Production	3
		October 3, 2025	Securities & Futures Institute	2025 Seminar on Insider Trading Prevention	3
		November 11, 2025	Independent Director Association Taiwan	Corporate Brand Management and Maintenance Strategies – Building a Corporate Image Communication Defense System	3
Independent Director	Ming-Yuan Jheng	August 7, 2025	Independent Director Association Taiwan	Applications and Challenges of Generative AI from the Perspective of ChatGPT	3
		November 11, 2025	Independent Director Association Taiwan	Corporate Brand Management and Maintenance Strategies – Building a Corporate Image Communication Defense System	3
Independent Director	Chi-Wei Lin	August 6, 2025	Taiwan Corporate Governance Association	Technology and Trends – Innovative AI Applications and Risk Management	3
		August 6, 2025	Taiwan Corporate Governance Association	Technology and Trends – AI Development and Business Impact	3
		August 7, 2025	Independent Director Association Taiwan	Applications and Challenges of Generative AI from the Perspective of ChatGPT	3
Independent Director	Chin-Shan Huang	August 7, 2025	Independent Director Association Taiwan	Applications and Challenges of Generative AI from the Perspective of ChatGPT	3
		November 13, 2025	Taiwan Corporate Governance Association	Financial Impact of ESG Risks and Opportunities	3

3. Continuing education of the Chief Corporate Governance Officer in 2025:

Title	Name	Date	Organizer	Course Title	Course Hours
Chief Corporate Governance Officer	Hsiu-Chi Chan	August 7, 2025	Independent Director Association Taiwan	Applications and Challenges of Generative AI from the Perspective of ChatGPT	3
		October 3, 2025	Securities & Futures Institute	2025 Seminar on Insider Trading Prevention	3
		October 22, 2025	Taiwan Project Management Association	Practical Data Analytics: The Scientific Foundation of Executive Decision-Making	3
		November 11, 2025	Independent Director Association Taiwan	Corporate Brand Management and Maintenance Strategies – Building a Corporate Image Communication Defense System	3
Total Training Hours in 2025					12

4. Succession planning and operation of Board Members (Including the Chairman):

- (1) The election of directors of the Company is conducted under the candidate nomination system in accordance with the Articles of Incorporation. The Corporate Governance Best Practice Principles and Procedures for Election of Directors further stipulate that the composition of the Board shall take diversity into consideration, and formulate diversity policies based on the Company's operations, business model, and development needs, including but not limited to standards in two major dimensions: basic qualifications and values, and professional knowledge and skills.
- (2) With respect to Board succession planning, the Group currently has a number of senior executives with the managerial and professional capabilities required to serve as directors. In preparing for director succession, in addition to diversity considerations, directors concurrently serving as managerial officers shall not exceed two-thirds of Board seats. Gender equality will also be taken into account in the future, while cultivating professionals equipped with the knowledge, skills, and competencies necessary to perform director duties remains a key objective. As for independent directors, they are required by law to possess professional experience in business, legal affairs, finance, accounting, or the Company's business operations. As there is no shortage of such professionals in Taiwan, the Company expects that successors for independent directors may be drawn from professionals across various industries.
- (3) The Company has established qualification review procedures and relevant standards for the selection of director candidates to ensure that suitable new directors can be effectively identified and appointed whenever vacancies arise or additional Board seats are planned.
- (4) The Board currently consists of nine directors, including three independent directors. Board members possess the knowledge, skills, and professional qualities necessary to perform their duties, and are able to provide timely recommendations on corporate decisions. To ensure continuous advancement of Board members, training courses are arranged annually based on key topics of the year, and each director is required to complete at least six hours of continuing education each year. This helps directors stay current with new developments, understand their functions, responsibilities, and obligations on the Board, and effectively implement the corporate governance framework.
- (5) The Company has adopted the Regulations for Performance Evaluation of the Board of Directors and Functional Committees, and conducts annual evaluations of the overall Board, individual directors, and functional committees. Evaluation results are completed and reported to the Board before the end of the first quarter of the following year. The evaluation results serve as reference for future selection or nomination of directors and determination of their individual remuneration.

5. Succession planning and operation of key management personnel (Including the President):

(1) Senior Executive Talent Development Program:

Each year, the Company arranges development programs for senior executives built around three major pillars: learning courses, strategic planning, and action projects. Through purposeful, systematic, and structured in-person training, the Company enhances leaders' strategic vision and

managerial perspective, thereby building an outstanding leadership pipeline. The program includes modules on leadership development, strategic innovation, organizational integration, and corporate culture/value formation. Through action learning projects formed by cross-business-unit and cross-functional teams, the Company fosters team cohesion, develops a shared management language, shapes a high-quality organizational culture, and strengthens the foundation for sustainable operations.

(2) Goal-Oriented Periodic Performance Reviews:

Senior executives responsible for their respective business areas are expected to possess strategic management capabilities. To ensure accountability and effective delivery of operating results, annual goals, business plans, and talent development strategies are reviewed through meetings and exchanges with top leadership and the management team. Operating performance is reviewed monthly and quarterly. For succession teams, in-depth meetings are regularly held with top leadership to guide senior executives toward self-improvement and the pursuit of ambitious goals. At the same time, the senior leadership team identifies high-potential successors for future advancement.

(3) Job Rotation to Develop Leadership Talent:

To broaden management perspectives and strengthen international experience so that future successors can assume major responsibilities, the Company has established strategic positions across headquarters functional units, business operation units, and overseas operating locations. Talent rotation among these roles helps cultivate all-round business management capabilities, respond to changing business environments, accumulate practical management experience, and enhance successors' strategic thinking and global execution capabilities.

(4) Key Talent Review and Development Program:

The Human Resources Department regularly conducts key-position talent reviews to identify and cultivate internal mid- to senior-level management successors. Through competency assessments, the Company identifies the capabilities and qualifications required for current roles, and strengthens these competencies in alignment with corporate and departmental strategic objectives. In addition, Individual Development Plans (IDPs) are implemented for important management personnel. Through project assignments, mentoring systems, and other development measures, the Company supports comprehensive personal growth.

(IX) Status of internal control system implementation

1. Statement on Internal Control: The design and implementation of the Company's internal control system in 2025 were effective. Please refer to the "Internal Control Statement Announcement" on the Market Observation Post System.
2. Where a CPA has been engaged to conduct a project-based review of the internal control system, the CPA review report shall be disclosed: None.

(X) Important resolutions of shareholders' meetings and board meetings in the most recent year and up to the date of printing of this annual report:

1. Shareholders' Meeting Resolutions and Implementation Status:

Meeting Date	Major Resolutions of Shareholders' Meetings	Implementation Status
June 19, 2025	1. Ratification of the 2024 Business Report and Financial Statements.	Approved.
	2. Ratification of the 2024 Earnings Distribution Proposal.	Approved.
	3. Approval of amendments to the Company's Articles of Incorporation.	Approved. Amendment registration completed on July 14, 2025.
	4. Approval of the issuance of restricted stock awards for employees.	Approved. First issuance completed on August 19, 2025.
	5. Election of the 14th Board of Directors (including Independent Directors).	Registration of elected directors completed on July 14, 2025.

2. Major resolutions of the Board of Directors:

Meeting Date	Major Resolutions of the Board of Directors
March 11, 2025	<ol style="list-style-type: none"> 1. Approval of the 2024 Statement on Internal Control System. 2. Approval of amendments to the Rules of Procedure for Board of Directors Meetings. 3. Approval of amendments to the Management Regulations Governing Authorization Limits. 4. Approval of the 2024 Business Report and Financial Statements. 5. Approval of amendments to the Company's Articles of Incorporation. 6. Approval of the 2024 year-end bonus proposal as reviewed by the Remuneration Committee. 7. Approval of the 2024 adjusted year-end bonus proposal for the Chairman and Vice Chairman as reviewed by the Remuneration Committee. 8. Approval of the 2024 performance bonus proposal for the General Manager as reviewed by the Remuneration Committee. 9. Approval of the 2024 employees' compensation and directors' remuneration proposal as reviewed by the Remuneration Committee. 10. Approval of the 2024 Earnings Distribution Proposal. 11. Approval of cash distribution of shareholder dividends under the 2024 earnings distribution. 12. Approval of matters relating to the convening of the 2025 Annual General Shareholders' Meeting and acceptance of shareholder proposals. 13. Election of the 14th Board of Directors (including Independent Directors). 14. Approval of the nomination period, number of seats to be elected, and place of acceptance for director (including independent director) candidates. 15. Approval of the independence and competence evaluation of the Company's 2025 independent auditors and their remuneration. 16. Approval of the pre-approval of non-assurance services to be provided in 2025 by Ernst & Young and its affiliates. 17. Approval of the appointment of directors and supervisors to Eiffel Enterprise Co., Ltd., an investee company of the Company. 18. Approval of the renewal of export bill negotiation facilities and short-term financing facilities with Land Bank of Taiwan, West Taichung Branch. 19. Approval of renewal of forward purchase/sale foreign currency credit facilities with Land Bank of Taiwan. 20. Approval of the issuance of a support letter by Taiwan Sakura Corporation in support of the renewal of short-term unsecured loan facilities granted by Land Bank of Taiwan, West Taichung Branch, to Svago International Corporation. 21. Approval of endorsement/guarantee by the Company for short-term unsecured loan facilities granted by Land Bank of Taiwan, West Taichung Branch, to SAKURA Home Collection Co., Ltd. 22. Approval of renewal of endorsement/guarantee by the Company for short-term unsecured loan facilities granted by O-Bank and Hua Nan Commercial Bank to SAKURA Home Collection Co., Ltd.
May 8, 2025	<ol style="list-style-type: none"> 1. Approval of the donation to the Sakura Culture and Education Foundation. 2. Approval of the 2024 directors' remuneration allocation proposal. 3. Approval of the 2025 Q1 financial report. 4. Approval of the list of director candidates (including independent directors) nominated by the Board of Directors. 5. Approval of the release of non-competition restrictions for newly elected directors and their representatives. 6. Approval of partial amendments to the Company's Regulations Governing the Issuance of Restricted Employee Shares. 7. Approval of the renewal of financing facilities with CTBC Bank Co., Ltd., Shizheng Branch. 8. Approval of the renewal of endorsement and guarantee by Taiwan Sakura Corporation for short-term unsecured loan facilities granted by CTBC Bank Co., Ltd., Shizheng Branch, to SAKURA Home Collection Co., Ltd. 9. Approval of the demolition and reconstruction project for the Wuri North Plant buildings of Taiwan Sakura Corporation.

Meeting Date	Major Resolutions of the Board of Directors
June 19, 2025	<ol style="list-style-type: none"> 1. Approval of the election of the Chairman and Vice Chairman of the Company. 2. Approval of the appointment of members of the third Audit Committee of the Company. 3. Approval of the appointment of members of the sixth Remuneration Committee of the Company.
June 30, 2025	<ol style="list-style-type: none"> 1. Approval of the reappointment of the President of the Company.
August 7, 2025	<ol style="list-style-type: none"> 1. Approval of the 2024 ESG Report. 2. Approval of the nominee registration transfer arrangements for seven parcels of agricultural and pastoral land at the Wuri Plant. 3. Approval of the remuneration proposal for the newly appointed Chairman as reviewed by the Remuneration Committee. 4. Approval of the remuneration proposal for the newly appointed Vice Chairman as reviewed by the Remuneration Committee. 5. Approval of the remuneration proposal for the newly appointed General Manager as reviewed by the Remuneration Committee. 6. Approval of the 2025 Q2 financial report. 7. Approval of the appointment of directors and supervisors of the Company's subsidiary, SAKURA Home Collection Co., Ltd. 8. Approval of the application for short-term financing facilities with Bank of Taiwan, Taichung Branch. 9. Approval of the renewal of short-term financing facilities and export bill negotiation facilities with Hua Nan Commercial Bank, North Taichung Branch.
August 19, 2025	<ol style="list-style-type: none"> 1. Approval of partial amendments to the Company's 2025 Regulations Governing the Issuance of Restricted Employee Shares. 2. Approval of the first issuance of restricted stock awards for employees in 2025 and determination of the capital increase record date.
November 11, 2025	<ol style="list-style-type: none"> 1. Approval of the 2024 employees' compensation allocation proposal as reviewed by the Remuneration Committee. 2. Approval of the 2026 annual internal audit plan. 3. Approval of the 2025 Q3 financial report. 4. Approval of amendments to the Company's internal regulations, including the Rules of Procedure for Board of Directors Meetings, Organizational Rules of the Audit Committee, Quality and Environmental Management Manual, Ethical Corporate Management Best Practice Principles, and Service Policy White Paper. 5. Approval of the renewal of export bill negotiation facilities and short-term financing facilities with Land Bank of Taiwan, West Taichung Branch. 6. Approval of the renewal of forward sale (purchase) foreign currency facilities with Land Bank of Taiwan, West Taichung Branch. 7. Approval of the application for short-term revolving credit facilities with Shin Kong Bank, Dadun Branch. 8. Approval of the issuance of a support letter by Taiwan Sakura Corporation in support of the renewal of short-term unsecured loan facilities granted by Land Bank of Taiwan, West Taichung Branch, to Svago International Corporation. 9. Approval of the renewal of endorsement and guarantee by Taiwan Sakura Corporation for short-term unsecured loan facilities granted by Land Bank of Taiwan, West Taichung Branch, to SAKURA Home Collection Co., Ltd.
January 7, 2026	<ol style="list-style-type: none"> 1. Approval of amendments to the Company's internal regulations, including the Rules of Procedure for Board of Directors Meetings and the Management Regulations Governing Authorization Limits. 2. Approval of the Company's 2026 Business Plan, budget, and budgets of major subsidiaries. 3. Approval authorizing the Chairman, within the approved limit, to fully handle forward foreign exchange transactions for hedging exchange rate risks.
January 21, 2026	<ol style="list-style-type: none"> 1. Approval of the Company's land acquisition proposal.

Meeting Date	Major Resolutions of the Board of Directors
March 10, 2026	<ol style="list-style-type: none"> 1. Approval of the 2025 Statement on Internal Control System. 2. Approval of the 2025 Business Report and Financial Statements. 3. Approval of the 2025 year-end bonus proposal as reviewed by the Remuneration Committee. 4. Approval of the 2025 special bonus proposal as reviewed by the Remuneration Committee. 5. Approval of the 2025 adjusted year-end bonus proposal for the Chairman and Vice Chairman as reviewed by the Remuneration Committee. 6. Approval of the 2025 performance bonus proposal for the President as reviewed by the Remuneration Committee. 7. Approval of the 2025 employees' compensation (including compensation for rank-and-file employees) and directors' remuneration proposal as reviewed by the Remuneration Committee. 8. Approval of the 2025 Earnings Distribution Proposal. 9. Approval of cash distribution of shareholder dividends under the 2025 earnings distribution. 10. Approval of matters relating to the convening of the 2026 Annual General Shareholders' Meeting and acceptance of shareholder proposals. 11. Approval of the scope of "non-managerial employees" for 2026. 12. Approval of changes to the appointments of directors and supervisors of the Company's investee enterprises. 13. Approval of the change of the Company's 2026 independent auditors, the evaluation of their independence and competence, and their remuneration. 14. Approval of the pre-approval of non-assurance services to be provided in 2026 by Ernst & Young and its affiliates. 15. Approval of the renewal of endorsement and guarantee by Taiwan Sakura Corporation for short-term unsecured loan facilities granted by Hua Nan Commercial Bank to SAKURA Home Collection Co., Ltd.

(XI) Directors' dissenting opinions regarding major resolutions passed by the Board of Directors that were recorded in the minutes or stated in writing during the most recent fiscal year and up to the date of printing of this Annual Report: No such circumstances.

IV. Information on fees paid to attesting CPAs

(I) Fees paid to attesting CPAs:

Unit: NT\$ thousand

Name of Accounting Firm	Name of CPA	Audit Period	Audit Fees	Non-audit Fees	Total	Notes
Ernst & Young	Yu-Ting Huang Tzu-Ping Huang	Jan. 1, 2025 - Dec. 31, 2025	4,440	952	5,392	Non-audit fees mainly consisted of fees for tax certification services, transfer pricing reports, and review of English financial statements.

(II) Where a change of accounting firm occurred and the audit fees paid in the year of change were lower than those in the preceding year, the amounts of audit fees before and after the change and the reasons therefor: No such circumstances.

(III) Where audit fees decreased by more than 10% compared with the preceding year, the amount, percentage, and reasons for the decrease: No such circumstances.

V. Information on change of CPAs

(I) Regarding the predecessor CPAs

Effective date of change	Beginning with the first quarter financial report of 2026		
Reason for and description of the change	Due to internal rotation within Ernst & Young, the attesting CPAs were changed from Yu-Ting Huang and Tzu-Ping Huang to Shu-Chen Lai and Tzu-Ping Huang beginning with the first quarter financial report of 2026.		
Whether the client terminated the engagement or the CPA declined to accept the engagement	Party concerned	CPA	Client
	Circumstance		
	Voluntary termination of engagement	Not applicable	Not applicable
	Declined to accept (or continue) the engagement	Not applicable	Not applicable
Audit opinions other than unqualified opinions issued within the most recent two years and the reasons therefor	None		
Any disagreement with the issuer	None		
Other matters requiring disclosure	None		

(II) Information on successor CPAs

Accounting Firm	Ernst & Young
Name of CPA	Shu-Chen Lai, Tzu-Ping Huang
Date of Appointment	Approved by the Board of Directors on Mar. 10, 2026
Consultations prior to appointment regarding accounting treatment, accounting principles, or possible audit opinions on specific transactions, and the results thereof	None
Written opinion of successor CPAs regarding matters on which the predecessor CPAs disagreed	None

(III) Reply from the predecessor CPAs regarding Article 10, Paragraph 6, Subparagraph 1 and Item 3 of Subparagraph 2 of these Regulations: None.

VI. Whether the Chairman, President, or manager responsible for finance or accounting of the Company has, within the most recent year, served at the accounting firm of the attesting CPAs or any of its affiliates: None.

VII. Changes in shareholding transfers and pledges by directors, managers, and shareholders holding more than 10% of the Company's shares during the most recent fiscal year and up to the date of printing of this Annual Report.

(I) Changes in shareholdings of directors, managers, and major shareholders

1. Changes in Equity Transfers

Please refer to the "Post-Event Reporting Form for Insider Shareholding Changes" on the Market Observation Post System (MOPS).

2. Changes in Equity Pledges

Please refer to the "Insider Pledge and Release of Pledge Announcements" on the Market Observation Post System (MOPS).

(II) Where the counterparty to any share transfer was a related party: None.

(III) Where the counterparty to any share pledge was a related party: None.

VIII. Information on the top ten shareholders by shareholding percentage, where among them there exists a related-party relationship or a spousal relationship, or a relationship within the second degree of kinship

April 6, 2026

Name (Note 1)	Shares Held in Own Name		Shareholdings Held by Spouse and Minor Children		Shares Held Under Others' Names		Names of Top Ten Shareholders Having a Related-Party Relationship, or a Spousal Relationship, or a Relationship Within the Second Degree of Kinship, and the Nature of Such Relationship		Notes
	Shares Held	Shareholding Ratio	Shares Held	Shareholding Ratio	Shares Held	Shareholding Ratio	Name	Relationship	
Jin Rong Investment Co., Ltd.	14,200,501	6.39%	-	-	-	-	None	None	Representative: Chang-Hsien Wu
Yuan Chi Investment Co., Ltd.	13,311,536	5.99%	-	-	-	-	None	None	Representative: Hsin-Tao Liao
Ko Li Te Investment Co., Ltd.	13,268,176	5.97%	-	-	-	-	None	None	Representative: Yong-Zheng Chang
Chin Yeh Investment Co., Ltd.	11,297,545	5.08%	-	-	-	-	None	None	Representative: Sheng-Hui Lin (no shareholding)
CTBC Bank Co., Ltd., Trustee for the Employee Stock Ownership Trust Account of Taiwan Sakura Corporation	10,538,885	4.95%	-	-	-	-	None	None	Employee stock ownership trust account
Far Eastern International Bank Fiduciary Investment Account of Hong Way Property Co., Ltd.	9,465,912	4.26%	-	-	-	-	None	None	Investment account
Chia Chun Investment Co., Ltd.	5,305,000	2.39%	-	-	-	-	None	None	Representative: Chia-Hung Lin
UNJ Holding Corporation	4,701,000	2.11%	-	-	-	-	None	None	Representative: Yung-Chieh Chang
Ying Chun Co., Ltd.	4,378,000	1.97%	-	-	-	-	None	None	Representative: Sheng-Hui Lin (no shareholding)
Yuan Jhen Investment Co., Ltd.	3,959,200	1.78%	-	-	-	-	None	None	Representative: Chih-Chiang Ho
Chang-Hsien Wu	1,343,928	0.60%	-	-	-	-	Jin Rong Investment Co., Ltd.	Representative	
Hsin-Tao Liao	293	0.00%	-	-	-	-	Yuan Chi Investment Co., Ltd.	Representative	
Yong-Zheng Chang	67,853	0.03%	7,000	0.00%	-	-	Ko Li Te Investment Co., Ltd.	Representative	
Chia-Hung Ho	98,000	0.04%	-	-	-	-	Chia Chun Investment Co., Ltd.	Representative	
Yung-Chieh Chang	416,493	0.19%	355	0.00%	4,701,000	2.11%	UNJ Holding Corporation	Representative	
Chih-Chiang Ho	753	0.00%	-	-	-	-	Yuan Jhen Investment Co., Ltd.	Representative	

IX. Shareholdings in the same investee enterprise held by the Company, its directors, managers, and enterprises directly or indirectly controlled by the Company, with combined shareholding percentages calculated on a consolidated basis

Unit: Shares; %

Investee Enterprise (Investments Accounted for Using the Equity Method)	Shares Held by the Company		Investments by directors, managers, and enterprises directly or indirectly controlled by the Company		Consolidated investment	
	Shares Held	Shareholding %	Shares Held	Shareholding %	Shares Held	Shareholding %
Sakura (Cayman) Co., Ltd.	17,153,171	100.00%	-	-	17,153,171	100.00%
Svago International Corporation	11,959,750	100.00%	-	-	11,959,750	100.00%
Puda Industrial Co., Ltd.	12,800,419	43.19%	-	-	12,800,419	43.19%
SAKURA Home Collection Co., Ltd.	25,000,000	100.00%	-	-	25,000,000	100.00%
Eiffel Enterprise Co., Ltd.	2,810,100	51.00%	-	-	2,810,100	51.00%
Sakura Pan Pacific Holdings (Singapore) Pte. Ltd.	4,000,000	100.00%	-	-	4,000,000	100.00%

Chapter 3 Capital Raising Activities

I. Capital and shares

(I) Sources of capital stock

As of April 10, 2026, for the most recent fiscal year

Year/ Month	Issue Price (NT\$)	Authorized Capital		Paid-in Capital		Notes		
		Shares	Amount (NT\$)	Shares	Amount (NT\$)	Source of capital stock (NT\$)	Capital increase through contributions of assets other than cash	Others
Aug. 2025	10	440,000,000	4,400,000,000	222,389,584	2,223,895,840	Issuance of 12,683,960 restricted employee shares	None	Note 1

Note 1: FSC Letter Jin-Kuan-Cheng-Fa No. 2199 dated Aug. 5, 2025.

Class of Shares	Authorized Shares			Notes
	Outstanding shares	Unissued shares	Total	
Common shares	222,389,584	217,610,416	440,000,000	Listed company shares

Information relating to the shelf registration system: Not applicable.

(II) List of major shareholders

April 6, 2026

Name of Major Shareholder	Shares	Shares Held	Shareholding %
Jin Rong Investment Co., Ltd.		14,200,501	6.39%
Yuan Chi Investment Co., Ltd.		13,311,536	5.99%
Ko Li Te Investment Co., Ltd.		13,268,176	5.97%
Chin Yeh Investment Co., Ltd.		11,297,545	5.08%
CTBC Bank Co., Ltd., Trustee for the Employee Stock Ownership Trust Account of Taiwan Sakura Corporation		10,538,885	4.95%
Far Eastern International Bank Fiduciary Investment Account of Hong Way Property Co., Ltd.		9,465,912	4.26%
Chia Chun Investment Co., Ltd.		5,305,000	2.39%
UNJ Holding Corporation		4,701,000	2.11%
Ying Chun Co., Ltd.		4,378,000	1.97%
Yuan Jhen Investment Co., Ltd.		3,959,200	1.78%

(III) Dividend policy and implementation status:

1. Dividend policy as stipulated in the Articles of Incorporation:

If the Company has earnings at the annual final accounting, it shall first pay taxes, offset accumulated losses, then appropriate 10% as legal reserve (unless the legal reserve has reached the total paid-in capital), and make or reverse special reserve in accordance with applicable laws and regulations. The remainder, together with undistributed earnings carried forward from prior years, shall be available for distribution. Where distribution is to be made through issuance of new shares, the Board of Directors shall prepare a proposal for submission to the shareholders' meeting for resolution on shareholders' dividends.

Where all or part of the dividends and bonuses payable by the Company, and legal reserve and capital reserve distributable in accordance with law, are to be distributed in cash, the Board of Directors is authorized to approve such distribution by a resolution adopted by two-thirds or more of directors present at a meeting attended by a majority of directors, and shall report the same to the shareholders' meeting.

The Company offers diversified products and it is difficult to distinguish their respective growth stages. As the Company still has significant investment and financial improvement plans in the coming years, when sufficient external funding is obtained to support major capital expenditures for the year, the Company shall appropriate at least 10% of distributable earnings each year as shareholders' dividends, of which at least 30% shall be distributed as cash dividends.

2. Proposed dividend distribution for this shareholders' meeting:

On Mar. 10, 2026, the Board of Directors resolved to appropriate NT\$1,111,947,920 from distributable earnings for 2025 as cash dividends to shareholders, representing NT\$5 per share. Apr. 10, 2026 was set as the record date for cash dividend distribution, and May 6, 2026 as the payment

date. Cash dividends shall be calculated based on the shareholding ratio recorded in the shareholders' register as of the record date and distributed down to the nearest NT dollar (fractions of less than NT\$1 discarded). Fractional amounts of less than NT\$1 shall be recognized as other income of the Company. If the number of outstanding shares subsequently changes due to repurchase of treasury shares or transfer of treasury shares, resulting in a change in the cash dividend per share, the Chairman is authorized to make adjustments accordingly.

3. Explanation of any material change in the expected dividend policy: No such circumstances.

(IV) Impact of the proposed stock dividend distribution at this shareholders' meeting on operating performance and earnings per share:

The earnings distribution proposal to be submitted to this annual general meeting only involves cash dividends and does not involve stock dividends. Therefore, it is not applicable.

(V) Employees' remuneration and directors' remuneration:

1. Percentage or range as stated in the Articles of Incorporation:

If the Company has profits for the year (profit before tax prior to deduction of employees' remuneration and directors' remuneration), it shall appropriate 2% to 8% as employees' remuneration and not more than 5% as directors' remuneration. However, where the Company still has accumulated losses, an amount sufficient to offset such losses shall first be reserved. Employees' remuneration includes remuneration for non-managerial employees, and the portion allocated to non-managerial employees shall account for 30% to 80% of the total employees' remuneration. Recipients of employees' remuneration may include employees of controlled or subordinate companies meeting certain conditions, and such conditions shall be determined by the Board of Directors. Employees' remuneration may be distributed in shares or cash, while directors' remuneration may only be distributed in cash. Distribution of employees' remuneration and directors' remuneration shall be approved by a special resolution of the Board of Directors and reported to the shareholders' meeting.

2. Basis for estimating employees' remuneration and directors' remuneration for the current period, basis for calculating the number of shares distributed as employees' remuneration in shares, and accounting treatment for differences between estimated and actual distributed amounts:

(1) For 2025, the Company estimated employees' remuneration and directors' remuneration based on pre-tax profit before deduction of employees' remuneration and directors' remuneration of NT\$1,766,826,138, appropriating 3% as employees' remuneration in the amount of NT\$53,004,784 and 1.9% as directors' remuneration in the amount of NT\$33,569,697. If the actual distributed amounts subsequently resolved by the Board of Directors differ from the estimated amounts, such differences shall be accounted for as changes in accounting estimates, and the difference shall be recognized in profit or loss for the following year.

(2) Employees' remuneration and directors' remuneration for 2025 were both distributed in cash.

3. Status of remuneration distribution approved by the Board of Directors:

(1) Amounts of employees' remuneration and directors' remuneration distributed in cash or shares:
On March 10, 2026, the Board of Directors resolved to distribute NT\$53,004,784 as employees' remuneration and NT\$33,569,697 as directors' remuneration, which were the same as the amounts accrued as expenses for 2025.

(2) Amount of employees' remuneration distributed in shares and the percentage thereof to profit after tax in the parent company only or individual financial statements and the aggregate amount of employees' remuneration: Not applicable.

4. Actual distribution of employees' remuneration and directors' remuneration for the previous year:

On March 11, 2025, the Board of Directors resolved to distribute NT\$50,682,293 as employees' remuneration and NT\$32,098,785 as directors' remuneration, which were the same as the amounts accrued as expenses for 2024, and both were distributed in cash.

(VI) Status of repurchase of the Company's shares: None.

II. Status of corporate bonds: None.

III. Status of preferred shares: None.

IV. Status of overseas depositary receipts: None.

V. Status of employee stock warrants: None.

VI. Status of restricted employee shares:

- (I) Status of restricted employee shares for which vesting conditions have not yet been fully satisfied and impact on shareholders' equity.

As of April 10, 2026.

Type of restricted employee shares	2025 Restricted employee shares
Effective registration date and total number of shares	August 5, 2025 1,500,000 shares
Issue date	August 19, 2025
Number of restricted employee shares issued	1,268,396 shares
Number of restricted employee shares available for future issuance	231,604 shares
Issue price	Issued without consideration
Percentage of issued restricted employee shares to total issued shares	0.57%
Vesting conditions of restricted employee shares	Employees must satisfy the individual performance, Company performance, and service conditions set forth in the Company's 2025 Regulations Governing the Issuance of Restricted Employee Shares, and during each vesting period must not have violated the labor contract, work rules, non-compete obligations, confidentiality agreement, or any contractual agreements with the Company or its subordinate companies.
Restrictions on rights attached to restricted employee shares	<ol style="list-style-type: none"> 1. Upon issuance, the restricted employee shares shall be immediately placed in trust/custody, and before vesting conditions are satisfied, employees may not request the trustee/custodian to return the restricted employee shares for any reason or in any manner. 2. Before vesting conditions are satisfied after allotment, employees may not sell, pledge, transfer, gift, create encumbrances over, or otherwise dispose of the restricted employee shares, except by inheritance. 3. Except for the foregoing restrictions, other rights attached to restricted employee shares allotted under these Rules before vesting conditions are satisfied, including but not limited to rights to receive dividends, bonuses, distributions of capital reserve, and subscription rights in cash capital increases, shall be the same as those of the Company's issued common shares, and the relevant procedures shall be carried out in accordance with the trust/custody agreement. 4. Before vesting conditions are satisfied, attendance at shareholders' meetings, proposals, speaking rights, voting rights, and other shareholder rights shall be exercised by the trust/custody institution on behalf of the employees. 5. If during the vesting period the Company conducts a capital reduction in cash or other reduction of capital not due to statutory capital reduction, the restricted employee shares shall be cancelled in proportion to the capital reduction ratio. If the reduction is a cash capital reduction, the cash returned shall be delivered into trust/custody and shall only be released to employees after vesting conditions are satisfied. If vesting conditions are not satisfied, the Company shall reclaim such cash. 6. If during the vesting period the Company conducts a cash capital increase or other increase of capital not due to statutory capital increase, the rights and obligations attached to the restricted employee shares shall remain unaffected.
Custody status of restricted employee shares	Handled through trust custody.
Treatment of shares allotted or subscribed by employees before vesting conditions are satisfied	The shares shall be repurchased without consideration and cancelled.
Number of restricted employee shares repurchased or redeemed	20,941 shares
Number of restricted employee shares with restrictions released	0 shares
Number of restricted employee shares with restrictions not yet released	1,247,455 shares
Percentage of restricted employee shares with restrictions not yet released to total issued shares (%)	0.56%
Impact on shareholders' equity	The potential dilution effect on the Company's earnings per share is limited and therefore has no material impact on shareholders' equity.

(II) Names of managerial officers and the top ten employees receiving restricted employee shares, and related allocation details

As of April 10, 2026; Unit: shares / NT\$ thousand

	Title	Name	Number of restricted employee shares granted	Percentage of restricted employee shares granted to total issued shares	Shares with restrictions released			Shares with restrictions not yet released				
					Number of shares with restrictions released	Issue price	Issue amount	Percentage of shares with restrictions released to total issued shares	Number of shares with restrictions not yet released	Issue price	Issue amount	Percentage of shares with restrictions not yet released to total issued shares
Managerial officers and employees	Chief Brand Officer	Yung-Chieh Chang	1,247,455	0.56%					1,247,455			0.56%
	Chief Sustainability Officer	Yuo-Tu Lin										
	President	Hui-Hsun Lee										
	Vice President	Yih-Yuan Hsu										
	Vice President	Tai-Chen Chen										
	Vice President	Lien-Fa Chen										
	Vice President	Tsung-Nan Hsieh										
	Vice President	Yong-Zheng Chang										
	Director	Guang-Fei Luo										
	Assistant Vice President	Shu-Chen Teng										
	Assistant Vice President	Wen-I Chen										
	Assistant Vice President	Yueh-Tiann Tsai										
	Senior Manager	Jin-Hui Zhong										
	Senior Manager	Chiu-Yu Lee										
	Senior Manager	Hsiu-Chi Chan										
	Manager	Wan-Ju Liao										
	Manager	Yun-Jhong Lai										
	Employee of the Company	Chih-Jen Chang										
Employee of a subordinate company	Min-Hsu Chueh											
Employee of a subordinate company	Hseng-Lung Hung-Hsu											

VII. Status of issuance of new shares in connection with merger or acquisition of shares of another company: None.

VIII. Status of implementation of capital utilization plans: Not applicable.

Chapter 4 Operational Overview

I. Business overview

(I) Business scope

1. Principal business activities of the Company:

The Company has long cultivated the kitchen and bathroom appliances and integrated kitchen markets, while continuously expanding its home living business portfolio. Through product innovation, brand management, and channel integration, it has gradually established a comprehensive and competitive home living solutions platform. Leveraging long-established brand trust, a comprehensive product portfolio, and strong service capabilities, the Company has continued to maintain a leading position in Taiwan's kitchen and bathroom appliances and integrated kitchen markets.

In recent years, the Company has centered its development on the "HOME in ONE" total solution concept, integrating kitchen and bathroom appliances, integrated kitchens, and home living businesses to provide consumers with one-stop solutions ranging from products to services. In product development, the Company continues to advance its AI Kitchen smart kitchen strategy by incorporating AI and data applications into product design and service systems, thereby enhancing product differentiation and user experience. In channel deployment, the Company operates both retail channels and project markets, building a stable and diversified market foundation through brand management and service integration. In addition, the Company continues to expand into overseas markets through brand development and strategic partnerships, gradually increasing the proportion of international revenue and strengthening long-term growth momentum.

2. Revenue contribution of major products in 2025:

Major Products	Kitchen appliances	Water heaters	Integrated kitchens	Others	Total
Percentage of consolidated revenue	30.5%	24.4%	31.7%	13.4%	100%

3. Planned development of new products:

In recent years, compact residential units have become the mainstream in the housing market. To maximize efficient use of living space, open kitchens have become increasingly popular. How kitchen products can balance functionality with space efficiency has become an important issue in modern living. In response, the Company developed Sakura AI Kitchen integrated product series. The development of new products is centered on meeting consumer needs. The Company is committed to researching consumer pain points and demands, while using energy saving, efficiency, and intelligence as core functional standards in the development of various new products, including water heaters, kitchen appliances, and water purifiers.

The currently planned directions for new product development are as follows:

- (1) Smart Range Hood with Intelligent Air Control and Auto Life Close-Range Suction
- (2) Smart Cooking Gas Stove (Grade 1 Efficiency)
- (3) Beauty Skin Bath Water Heater Ultra
- (4) Hot and Ambient Water Purifier Plus
- (5) Smart-linkage Induction Hob

(II) Industry Overview

1. Current status and development of the industry

(1) Water heaters and kitchen appliances:

Sakura has invested in the research and development of digital forced-exhaust products for more than 20 years and is the only domestic manufacturer with both R&D and production capabilities. Since the government introduced subsidies in 2013 for Tier-1 and Tier-2 gas appliance products, consumer demand for energy-saving products has been effectively stimulated. In recent years, market demand for water heaters and kitchen appliances has gradually stabilized, and the overall market has become saturated as a mature market. Only through continuous investment in R&D and the creation of innovative products with high added value and environmental efficiency can customer recognition be secured. The Company has also introduced innovative kitchen and bathroom categories, such as built-in appliances and water purification products, to meet customers' diverse kitchen and bathroom needs.

Energy saving and environmental protection have always been key directions of the Company's product development. Continuous pursuit of improved energy-efficiency technologies and convenient solutions has enabled the Company to lead industry development trends.

(2) Integrated kitchens:

With economic development and changing family structures, kitchens have evolved into the core living space that connects home life, profoundly influencing consumers and the planning concepts of new residential projects. Drawing on extensive experience, Sakura Kitchen, as a leading domestic kitchen brand, provides one-stop comprehensive solutions covering planning and design, manufacturing and supply, and after-sales service.

In the construction project market, the housing market in 2025 was affected by the government's housing loan program for young homebuyers' policy and lending restrictions, leading developers to adopt a more cautious procurement approach and place greater emphasis on supply chain fulfillment stability. In response, Sakura leveraged its robust industrial foundation and launched its new Wuri Plant in Taichung in November 2025, increasing the Group's total domestic production base area to over 46,280 square meters and solidifying its scale leadership. Through the introduction of the Smart Manufacturing 4.0 system and the project management platform, Sakura has realized digitalized production and sales operations with precise alignment to developers' needs. Supported by smart warehousing and flexible modular production, the Company delivers highly reliable supply commitments, effectively addressing labor shortages and delivery lead-time challenges while continuing to strengthen its competitive edge.

In the chain channel and retail markets, although domestic demand faced challenges, Sakura demonstrated resilience through its brand upgrade strategy. Relying on highly differentiated integrated service capabilities, the Company fulfills a complete promise from pre-sales planning to lifetime after-sales service. As a result, sales performance remained stable, channel locations continued to expand year by year, further deepening brand market share and consumer trust.

Looking ahead in production and technology deployment, with the commencement of operations at the new Wuri Plant, Sakura has entered a new era of "smart manufacturing and whole-home integration." The new plant incorporates AI visual recognition and full-process QR Code traceability systems to ensure quality consistency, while also supporting customized capabilities for "AI Kitchen" and whole-home renovation solutions. This production base, integrating automation and intelligence, will be a key engine for Sakura in realizing its vision of "better living" and laying a solid foundation for its transformation into a total space solutions provider.

(3) Imported kitchen appliances and home appliances:

The imported home appliance market is closely related to the Company's core kitchen business, particularly dishwashers, induction hobs, and ovens, all of which have shown significant growth in recent years. Among these, the dishwasher market expanded rapidly, recording a year-on-year increase of 56% in 2025. Induction hobs also achieved double-digit annual growth, driven by safety demand, changing usage habits among younger generations, and broader adoption in housing projects. Ovens, microwave ovens, and steam ovens likewise maintained steady growth. The strong growth of imported kitchen appliances reflects increasing consumer acceptance in Taiwan of imported kitchen equipment and Western cooking styles. Dishwashers and induction hobs, in particular, have become indicators of market transformation in recent years. Consumers born in the 1960s and 1970s have become the main force in home purchases and renovations involving kitchen appliances. Meanwhile, dual-income households and smaller families have changed cooking habits, with stronger emphasis on safety, quality home living, and reducing household chores such as dishwashing, all of which have driven the flourishing development of these products.

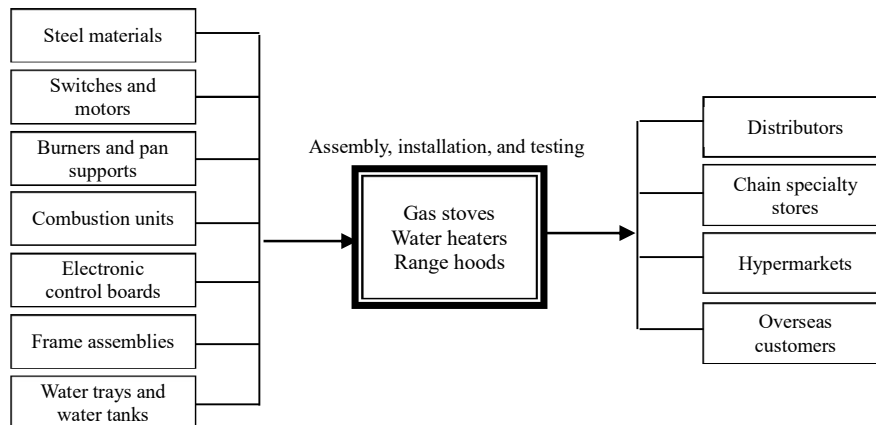
Sakura has long observed the steady growth of the imported market. Accordingly, it adopts a multi-brand strategy covering premium, mid-range, and value segments to serve different consumer groups. Since 2023, the Company has represented the German brand TEKA for large built-in kitchen appliances, positioning it as the premium brand within the Sakura Group to meet the needs of consumers aspiring to a European lifestyle. Another brand, svago, also carries European heritage but offers a more personalized identity, serving the affordable imported market for built-in kitchen appliances and major household appliances. All brands exclusively sold or distributed by Taiwan Sakura Corporation benefit from Sakura's comprehensive and powerful service system, enabling consumers to enjoy a European lifestyle while still receiving Sakura's complete and trusted protection. This strong combination has supported steady sales growth.

2. Relationship among upstream, midstream, and downstream segments of the industry

(1) Water heaters and kitchen appliances:

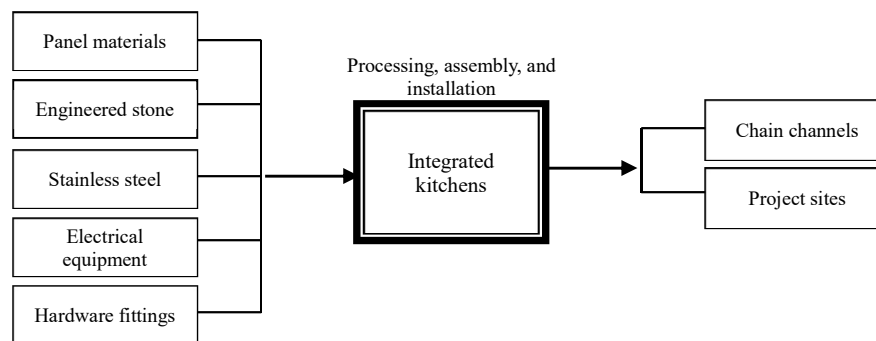
For the water heaters manufactured by the Company, principal raw materials include steel

materials, switches, motors, burners and pan supports, combustion units, electronic control boards, and frame assemblies. After assembly, installation, and testing, the products are supplied to downstream overseas customers, distributors, chain specialty stores, and hypermarkets. The upstream, midstream, and downstream industry relationships are summarized below::



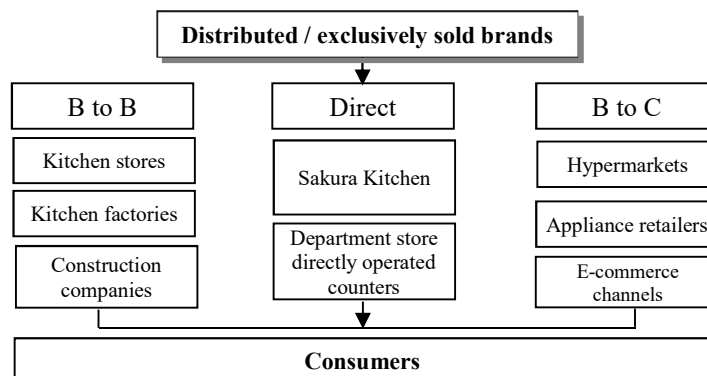
(2) Integrated kitchens:

For the integrated kitchens manufactured by the Company, principal raw materials include panel materials, stone materials, stainless steel, electrical equipment, and hardware fittings. After processing and assembly, the products are installed at project sites or sold through downstream chain channels. The upstream, midstream, and downstream industry relationships are summarized below:



(3) Imported kitchen appliances and home appliances:

Sakura’s imported kitchen appliances and home appliances are sold not only to downstream kitchen stores, directly operated stores, kitchen factories, project developers, appliance retailers, and hypermarkets (B2B2C), but also directly to consumers through department store channels (B2C). The upstream, midstream, and downstream relationships are summarized below:



3. Product development trends

(1) Water heaters:

Digital water heaters can forcibly discharge exhaust gas outdoors. In addition to low emissions and high efficiency, they also feature intelligent digital constant-temperature control and multiple safety devices. In recent years, digital water heaters have replaced traditional water heaters as the mainstream choice, with market share increasing year by year.

Sakura focuses on differentiated smart products with innovative functions to meet consumer demand. To address insufficient water pressure in older buildings, the Company launched turbo-boost

intelligent constant-temperature water heaters, which have been well received by consumers. The Company also introduced its exclusive patented “AutoSeasons” intelligent constant-temperature series, pioneering smart temperature-control technology that automatically supplies the most suitable hot water temperature according to seasonal climate changes. The adoption of smart technologies has greatly enhanced bathing comfort for consumers and further differentiated the Company’s products from competitors.

(2) Kitchen appliances:

A. Gas stoves:

Following the government’s implementation of subsidies in 2013 for Tier-1 and Tier-2 energy-saving gas appliances, consumer demand for energy-efficient products has been effectively stimulated. Going forward, gas stove products with at least Tier-2 energy efficiency are expected to become the basic product standard. Current product development is moving toward greater cooking convenience. In addition to refined styling that aligns with quality lifestyles, smart functions provide upgraded safety mechanisms and user-friendly cooking features.

B. Range hoods:

To meet the needs of open kitchen designs, the Company continues to launch high-suction range hoods and intelligent airflow control systems that automatically adjust fan speed according to cooking smoke intensity, making them suitable for various types of cooktops.

C. Dish dryers:

Product development is focused on resolving user pain points. Beyond basic drying needs for dishes and utensils, products are being enhanced with convenient storage features, more refined appearance design, and integration with kitchen cabinetry.

D. Kitchen appliances:

Kitchen appliance configurations are no longer limited to traditional range hoods and gas stoves. More appliances such as ovens and steam ovens are becoming increasingly common. Current development is focused on meeting Chinese cooking needs, including steaming (steam ovens), stir-frying and boiling (gas stoves), and frying or roasting (microwave ovens and ovens). In addition, as kitchen space in Taiwan is often compact, the concept of light cooking is gaining traction. Products such as induction hobs, dishwashers, and appliance storage cabinets are currently performing strongly in sales.

E. Water purifiers:

Water purifiers are no longer invisible kitchen fixtures. As consumer demand for drinking water safety increases, together with stronger requirements for storage efficiency, product design is moving toward multifunctional integration to meet household drinking water needs.

(3) Integrated kitchens:

A. As domestic consumers pursue higher living standards, Sakura Kitchen continues to study the lifestyle behaviors of various household types. Supported by big data accumulated from more than 400,000 kitchen design projects served, the Company has developed different kitchen design modules tailored to distinct lifestyles. In recent years, the Company has specifically addressed the trend toward smaller homes by strengthening design solutions that maximize space efficiency and functionality. Through professional 3D design planning software, customers can closely align what they see in the design stage with the final product, creating the best customized experience.

B. In response to digital technology and the smart home trend, Sakura is actively developing its AI Kitchen strategy. Through smart technologies and data integration, products are transformed from standalone hardware into highly convenient solutions that precisely respond to consumer needs. This serves as a core strategy for driving business growth and meeting market expectations for intelligent lifestyles.

C. Exclusive sales channel – Sakura Kitchen:

Following the rebranding of the visual identity “SAKURA KITCHEN,” the Company further responded to consumer trends in 2025 by launching a high-storage modular series specifically designed for compact homes. By enhancing space utilization and aesthetic quality, the series became an important growth driver in the retail market. In channel operations, Sakura continues to improve smart applications by linking its professional 3D intelligent design system directly to production under a “designable, sellable, manufacturable” model, significantly reducing customer waiting times. Through such differentiated new product launches, combined with integrated digital after-sales services, Sakura has maintained stable sales performance despite contraction pressures in the retail market.

(4) Imported kitchen appliances and home appliances:

Smart home appliances have become a global trend in recent years, mainly driven by rapid advances in technology and the internet, which have created closer connections and interaction between products and consumers. Another major trend relates to health and hygiene, such as sterilization, antibacterial functions, air circulation and ventilation, and smart healthy-cooking menu functions, all of which are increasingly important consumer concerns in modern society. Products under the brands exclusively sold by Taiwan Sakura Corporation are also positioned at the forefront of technological innovation, with continued introduction of world-class advanced technologies that meet user needs and win consumer favor.

4. Competitive position of products

(1) Water heaters and kitchen appliances:

To ensure the safe use of water heaters, following the implementation of fire safety regulations on February 1, 2006, market demand shifted and average selling prices increased. In addition, the implementation of licensing requirements for the installation of water heaters and related piping has made installation increasingly dependent on professional expertise, further highlighting brand value. As cross-strait trade has continued to expand, many manufacturers have relocated production facilities to Mainland China and actively established supply channels there. Meanwhile, new-generation products increasingly require electronic or control-system functions, driving the overall industry environment toward technology-based competition. Traditional channel models have reached development bottlenecks. Competition among brand owners in channel management has moved beyond pricing to include enhanced customer experience processes, support for channel partner management, comprehensive after-sales services, and stronger consultative relationship management platforms, all of which have become key competitive factors.

(2) Integrated kitchens:

- A. The Company actively promotes modular design concepts, using standardized specifications to create differentiated aesthetic designs. This enables pricing and service offerings to better align with market competition while meeting the needs of developers targeting different customer segments. The Company also provides lifetime complimentary after-sales service to homebuyers, helping developers build competitiveness and create differentiation. Through its strong brand strength, sales execution, and service capabilities, Sakura partners with developers to enhance project value and improve sales conversion, making it the leading brand in the project market.
- B. In terms of the retail market, Sakura Kitchen stores leverage the Group's big data resources to accurately identify the lifestyle needs of different customer segments. Through fully customized services covering measurement, design, installation, and consultation, Sakura remains the only company in Taiwan with a clear retail channel advantage in this market. Its newly upgraded fourth-generation store image, together with standardized store SOP service processes and franchisee training programs, has created a higher-quality chain system, enabling consumers to enjoy better kitchen consultation services and a superior kitchen lifestyle experience.

(3) Imported kitchen appliances and home appliances:

As Taiwanese consumers adopt increasingly diversified dining habits (Chinese cuisine, Western cuisine, and baking), opportunities and market potential for imported kitchen appliances have expanded. At the same time, however, market competition has intensified. In recent years, competitively priced and high-value major and small appliances from Poland in Eastern Europe, Türkiye in Southern Europe, and Mainland China in Asia, together with the rise of Korean appliance manufacturers supported by national industrial policies, have led many OEM manufacturers in Western Europe to undergo restructuring or acquisition. As a result, Taiwan's imported kitchen appliance market has faced issues such as unstable supply and high product homogeneity, which have adversely affected consumer rights and created so-called "service orphans" for imported kitchen appliances. Consumers often struggle to find service channels for product consultation or repairs.

The kitchen appliance products exclusively distributed by Sakura are selected based on the needs of the Taiwan market and local consumers, emphasizing innovative performance, user-friendly ergonomics, clean European design aesthetics, and premium craftsmanship. These products deliver a more convenient, enjoyable, and tasteful lifestyle, while Sakura's disciplined operating model helps it compete effectively in the marketplace. Most importantly, these products are backed by Taiwan Sakura Corporation's comprehensive Group service network, providing both consumers and retailers with greater trust and peace of mind.

(III) Technology and R&D overview

1. R&D expenditures in the most recent fiscal year and up to the date of printing of this Annual Report

Item / Amount / Year	2025
R&D expenditures	NT\$104,069,000
% of consolidated revenue	1.01%

2. Technologies or products successfully developed in the most recent fiscal year

For products successfully developed in the most recent two years, please refer to “R&D Status” on page 2 of this Annual Report. Technologies successfully developed in the most recent two years include:

- (1) Multifunctional high-frequency transmission wireless remote controller
- (2) Multifunctional water purifier faucet controller
- (3) DC brushless motor control technology
- (4) Induction hob control system
- (5) Under-counter RO warm/hot water control system
- (6) AI thermal sensing control system
- (7) AI Kitchen kitchen linkage control system
- (8) AI cooking assistance temperature display system
- (9) Gas stove precision flame control technology

(IV) Long-term and short-term business development plans

1. Medium- to long-term business development plans

- (1) Smart product innovation and development: Continue advancing the AI Kitchen smart product strategy by integrating intelligent control, energy-saving design, and data applications to strengthen product differentiation and enhance industry value through product upgrades.
- (2) Integrated home solution expansion: Deepen the HOME in ONE total solution by integrating kitchen appliances, bathroom appliances, integrated kitchens, home products, and services to provide a complete home living experience and enhance market competitiveness.
- (3) Diversified channel deployment and optimization: Continue strengthening retail channel operations, including department stores, KA channels, and e-commerce platforms, while deepening cooperation models in the project market to enhance project service capabilities and market share.
- (4) Supply chain integration and smart manufacturing: Improve production efficiency and production-sales coordination through supply chain integration and optimization of manufacturing systems, establishing a supply system with cost advantages and quality competitiveness.
- (5) International market expansion: Continue building international operating capabilities and expanding overseas markets. Leverage the China market as a foundation while gradually expanding into Southeast Asia, enhancing international competitiveness through brand management and strategic partnerships.
- (6) Sustainable operations and ESG development: In response to global sustainability trends, continue promoting energy-efficient products and low-carbon manufacturing, strengthening sustainable operating capabilities and compliance with international environmental regulations.

2. Short-term business development plans

- (1) AI Kitchen marketing and product line expansion: Continue promoting AI Kitchen products and expanding product lines to enhance product value and strengthen market competitiveness.
- (2) Expansion of integrated kitchen and home furnishing markets: Deepen cooperation models with developer clients and expand penetration of integrated kitchen and home furnishing businesses in the project market, enhancing overall project service capabilities.
- (3) Consumer journey and channel optimization: Integrate experiential activities, membership operations, and diversified channel services to optimize the consumer journey, increase brand loyalty, and improve conversion efficiency.
- (4) Data-driven management advancement: Continue introducing data platforms and AI tool applications to improve operating efficiency and strengthen decision-making capabilities.
- (5) Service system and brand experience enhancement: Optimize the SAKURA iCare smart service platform to improve after-sales efficiency and customer experience while strengthening brand value.
- (6) Production-sales coordination and supply chain efficiency improvement: Following the completion and commencement of operations at the Wufeng manufacturing base and the launch of the North Plant redevelopment project, continue promoting process integration and production line optimization, while gradually introducing automation and smart manufacturing technologies. At the same time, optimize production-sales coordination mechanisms and supply chain management to improve supply stability and overall operating efficiency.

II. Market overview and production/sales status

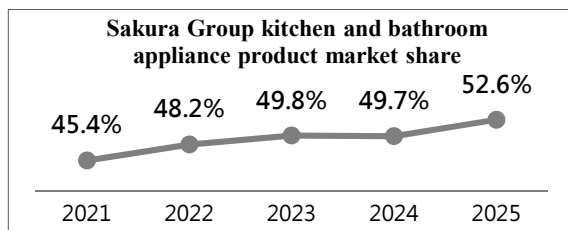
(I) Market analysis

1. Sales regions of principal products

Major Products	Major Markets	Primary Regions
Water heaters	Domestic sales 91.4%; export sales 8.6%	Taiwan, Asia, North America
Kitchen appliances	Domestic sales 93.5%; export sales 6.5%	Taiwan, Asia, North America
Integrated kitchens	Domestic construction project sites and chain specialty stores	Taiwan

2. Market share:

According to market survey data, the Company holds a leading market position in gas appliance products and integrated kitchen products, and continues to strengthen its competitiveness through product innovation and brand management.



Source: IPSOS market survey data

3. Future market supply-demand conditions and growth prospects

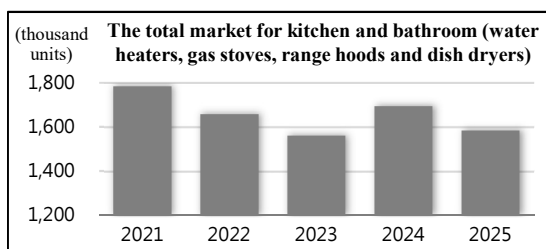
Overall, with improvements in housing quality and rising demand for better home living, the home-related market continues to offer stable long-term growth potential.

(1) Kitchen and bathroom appliance market

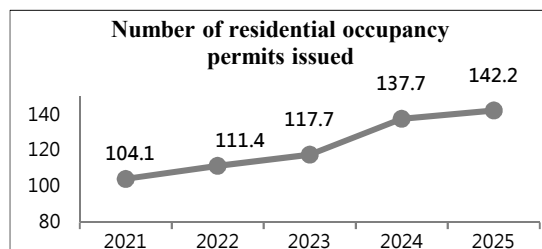
Demand in Taiwan's kitchen and bathroom appliance market remains relatively stable, with market size maintained at a certain level over the long term. As demand for energy-saving and smart products increases, product upgrades and value enhancement will become key drivers of industry development. At present, the total Taiwan market for kitchen and bathroom appliances remains at approximately 1.5 million to 1.6 million units annually. If the government introduces energy-efficiency subsidies or related policies, this may stimulate early replacement demand and further promote market growth. Although overall market growth is relatively limited, continued product innovation and technological upgrades can still drive value enhancement and industry advancement.

(2) Home living solutions market

As housing quality improves and consumer lifestyles evolve, demand for integrated home living solutions continues to grow steadily. Rising consumer expectations for space design, product integration, and service quality are driving growth in the integrated kitchen and home-related markets, giving this segment strong long-term growth potential.



Source: IPSOS market survey data



Source: National Land Management Agency, Ministry of the Interior

(3) Overseas market development

With economic growth and rising housing demand across Asia, Southeast Asia offers solid long-term growth potential. The Company's products are currently sold in Mainland China, Hong Kong, the United States, Canada, Vietnam, and Myanmar. In addition to establishing subsidiaries to deepen local market presence, the Company also expands internationally through multiple business models, including brand agency representation and ODM design/manufacturing services. Going forward, the Company will continue to focus on brand management, deepen local market deployment, and actively pursue cooperation opportunities with international enterprises in order to steadily expand overseas markets.

In summary, leveraging strong brand trust, product innovation capabilities, and one-stop home service advantages, the Company maintains a solid competitive foundation in relevant markets and continues to reinforce its market leadership position.

4. Competitive advantages

(1) Strong innovative R&D capabilities:

Whether in gas combustion appliances or integrated kitchen electrical products, the Company possesses one of the industry's strongest R&D teams and continues to recruit and cultivate key technical talent while investing in advanced research on core technologies and modules.

By integrating the expertise of external academic institutions, combining combustion technology with electronics and electrical engineering, and partnering with professional technology specialists across industries, the Company develops innovative product solutions. Through the deep integration of industrial design and aesthetics, new products not only deliver intelligent and innovative features, but also complement modern interior design styles, demonstrating exceptional functionality and aesthetic value. Ultimately, this enables the Company to maximize household safety and convenience for consumers and truly fulfill its corporate mission as a creator of better home living.

(2) Strong marketing network:

For kitchen appliance/equipment and water heater products, the Company has nine master distributors, supported by nearly 4,000 distribution outlets and branch offices throughout Taiwan. In the integrated kitchen segment, 100 dedicated chain outlets operating under the "Sakura Kitchen" brand are currently in operation. Recently, the Company has continued to optimize channel deployment and establish new sales models through diversified channels such as Sakura department store counters and Sakura shop-in-shop locations within E-Life Mall stores, further strengthening its market channel position.

(3) Comprehensive service policy:

Enabling everyone to create meaningful daily rituals and enjoy a better life is a belief that Sakura has always upheld. While creating products, the Company also considers how to make the beauty of life endure in everyday living without fading over time. A lasting commitment to after-sales service is the strongest warranty for a better life.

"SAKURA i Care" is not merely an after-sales service program, but Sakura's gentle yet steadfast promise to consumers: because we care about you at all times, we provide five permanent, complimentary services that create enduring peace of mind for consumers' lives.

Since 1978, Sakura has continuously introduced:

- Lifetime complimentary water heater safety inspections, ensuring Sakura water heaters operate efficiently with lasting performance.
- Lifetime complimentary delivery of range hood oil filters, maintaining strong suction performance for Sakura range hoods.
- Lifetime complimentary kitchen checkups, enabling Sakura Kitchen solutions to continue creating safe and enjoyable culinary living.
- Lifetime complimentary water purifier inspections, maintaining high filtration standards so consumers can enjoy pure drinking water.
- Lifetime complimentary space inspections and renovation planning, allowing Sakura Home solutions to further upgrade better living spaces.



Water Heater Safety Inspection Service



Lifetime Complimentary Delivery of Range Hood Oil Filters



Kitchen Safety Inspection Service



Water Purifier Inspection Service



Space Inspection / Renovation Planning Service

To uphold this unwavering protection, We actively embrace change. Sakura has comprehensively upgraded its service platform. By scanning a QR Code, customers can instantly access SAKURA i Care. A new CRM system creates dedicated service records and anticipates customer needs in advance. The UCC platform allows the Company to listen closely to customer feedback and never miss important messages. A precision GPS system enables prompt response and timely service fulfillment. Through innovative smart services, SAKURA i Care allows consumers to enjoy a better life with ease.

Branch offices and service stations throughout Taiwan are already operating under a mature nationwide network. In accordance with headquarters' after-sales service policies, they provide highly reliable and satisfying after-sales support, fulfilling Sakura's lifelong service commitment to consumers.

5. Factors favorable and unfavorable to future development and corresponding strategies

(1) Water heaters and kitchen appliance/equipment products:

A. Favorable factors:

- (a) The Company is actively expanding into global markets. The manufacturing and operational management capabilities of its Mainland China plant continue to improve, helping create opportunities for cooperation with major international OEM/ODM companies and supporting overseas market expansion.

- (b) The Company has nine master distributors and branch offices throughout Taiwan, in addition to its dedicated channel brand “Sakura Kitchen.” It has also recently increased investment in hypermarket and mass retail channels, building a comprehensive marketing network.
 - (c) Its comprehensive service policies and systems, integrated through the SAKURA i Care after-sales service platform, enable proactive customer service and have established an excellent brand image for the Company.
 - (d) The Company has a professional R&D team and has introduced a concurrent engineering development system, effectively shortening product development lead times.
 - (e) With the implementation of fire safety regulations, consumer awareness of safety has increased, driving growth in the replacement market.
 - (f) Through a diversified brand management strategy, the Company is also targeting younger consumer segments and gradually cultivating the next generation of customers.
- B. Unfavorable factors:
- (a) As kitchen products in Taiwan continue to improve in technology and quality, replacement cycles have become longer.
 - (b) Industry competition remains intense, with low-end and local brands continuing to rely primarily on price competition, which is unfavorable to the healthy development of the overall industry.
- C. Response strategies:
- (a) Introduce the NPS manufacturing system to establish a flexible, economical, and efficient production operating model.
 - (b) Effectively integrate procurement resources and strengthen manufacturing capabilities to provide products with cost competitiveness.
 - (c) Closely monitor consumer and market trends, develop new products, and optimize product lines to create greater added value and differentiated offerings.
 - (d) Enhance channel management, avoid destructive price competition, strengthen product loyalty, and prevent market encroachment by competitors.
- (2) Integrated kitchen products:
- A. Favorable factors:
- (a) As the only publicly listed brand in Taiwan’s kitchen industry, Sakura enjoys the highest brand recognition nationwide and a leading kitchen brand image.
 - (b) The Company operates Taiwan’s largest kitchen chain channel, “Sakura Kitchen.” Its stores have been comprehensively upgraded to the fourth-generation retail concept, featuring a refreshed store image combined with premium service standards that deliver a superior consumer experience.
 - (c) The Company operates the nation’s only professional kitchen personnel training program, the “Kitchen Academy,” which continues to train kitchen design talent annually. More than 200 certified designers nationwide have obtained professional qualifications through the program.
 - (d) The Company possesses in-house capabilities in R&D, design, and manufacturing of kitchen cabinetry and related equipment, enabling optimal integration of cabinets with electrical appliances and fixtures.
 - (e) Its upgraded and integrated “SAKURA i Care” service system includes a comprehensive customer service center and lifetime complimentary kitchen inspections, allowing consumers to enjoy more timely and convenient warranty repairs and professional services. This has become one of Sakura’s strongest brand moats.
- B. Unfavorable factors:
- (a) Existing competitors have high overlap in product pricing and target customer segments.
 - (b) Competitors’ low-price sales strategies may create confusion among consumers.
- C. Response strategies:
- (a) Integrate customer insight data into product planning and design to develop products better suited to consumer lifestyles, enrich product lines, enhance competitiveness, and strengthen brand awareness.
 - (b) Further integrate integrated kitchen design and planning with more diversified and smart home appliance products.
 - (c) Strengthen know-how management and operational guidance for chain stores, optimize sales and service processes, effectively replicate successful store operating models, and enhance the consumer experience in order to increase market share.
 - (d) Integrate procurement resources, simplify processes and management, and effectively reduce operating costs across the business.

(3) Imported kitchen appliances and home appliances:

A. Favorable factors:

- (a) Taiwan Sakura Corporation possesses clear advantages in local sales, service networks, and corporate strength, serving as a strong support platform for imported products.
- (b) The Company is backed by the Sakura Group's powerful after-sales service team, delivering prompt service and immediate customer satisfaction.
- (c) It operates Taiwan's largest dedicated kitchen chain channel, "Sakura Kitchen," together with an extensive kitchen retail distribution network nationwide. This makes the Company the preferred local partner for imported brands entering the Taiwan market.
- (d) Exclusive master distribution rights: the Company is the exclusive distributor in Taiwan for the century-old German brand TEKA and the European brand svago for built-in kitchen appliances.

B. Unfavorable factors:

- (a) In the post-pandemic era, successive events including the Russia-Ukraine war and the Red Sea crisis have driven up global shipping costs and raw material prices. Inflation in Türkiye has also affected supply chains, while interest rate hikes and tighter consumer spending in many countries have increased market uncertainty.
- (b) Major competitors have cultivated the Taiwan market over many years and hold leadership positions in certain categories, while continuing to invest significant resources in promotion.
- (c) New brand competitors are also actively entering the market, seeking to capture Taiwan's mid-to high-end imported appliance segment.
- (d) Domestic brands are aggressively moving upmarket through low-cost OEM sourcing and highly homogeneous product strategies.
- (e) Following the Central Bank's credit tightening measures on property lending, future housing project supply is expected to decline, intensifying competition in the imported kitchen market and making it more difficult to maintain a balance between price and quality.

C. Response strategies

- (a) The home kitchen market has entered the post-pandemic era, with rapid shifts over the past five years, from growth driven by stay-at-home lifestyles to the recent surge in revenge travel, which is expected to divert domestic consumer spending. As market demand stabilizes amid fluctuations, the Company will continue researching user needs and launching products aligned with market expectations to build strong word-of-mouth momentum and support stable overall market growth.
- (b) Adopt a dual-brand strategy, with TEKA focused on the mid- to high-end segment and svago targeting the entry-level market. By using strong product categories to benchmark leading brands, the two-brand strategy creates a competitive pincer effect against rivals.
- (c) Actively develop svago products and brand equity to enhance market reputation and consumer recognition.
- (d) Deepen experiential marketing by allowing consumers to personally experience product advantages. Sakura has established three "SAKURA SELECT Imported Kitchen Appliance Experience Centers" across Taiwan, where culinary classes and product demonstration programs continue to be promoted.
- (e) Actively leverage internal Group channels to jointly expand sales and comprehensively reach the market.
- (f) Strengthen presence in high-end department store channels, using premium counter displays to enhance brand image and consumer recognition, thereby driving total sales volume.
- (g) To balance fluctuations in project-market demand, the Company will continue deepening its retail store channel operations.
- (h) Further develop the interior designer channel, leveraging professional endorsements to strengthen brand preference and specified demand.

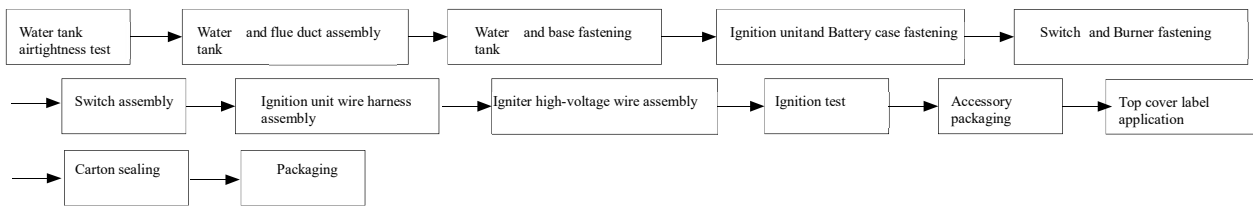
(II) Major uses and production processes of principal products

1. Major uses of principal products:

- (1) Water heaters: appliances that supply hot water for washing and bathing purposes.
- (2) Range hoods: appliances used to remove cooking fumes and maintain kitchen cleanliness.
- (3) Gas stoves: appliances used for cooking and grilling in kitchens.
- (4) Dish dryers: appliances used for drying washed tableware and utensils.
- (5) Integrated kitchens: countertop cabinet systems and related accessories used for household kitchen cooking spaces.

2. Production processes of principal products:

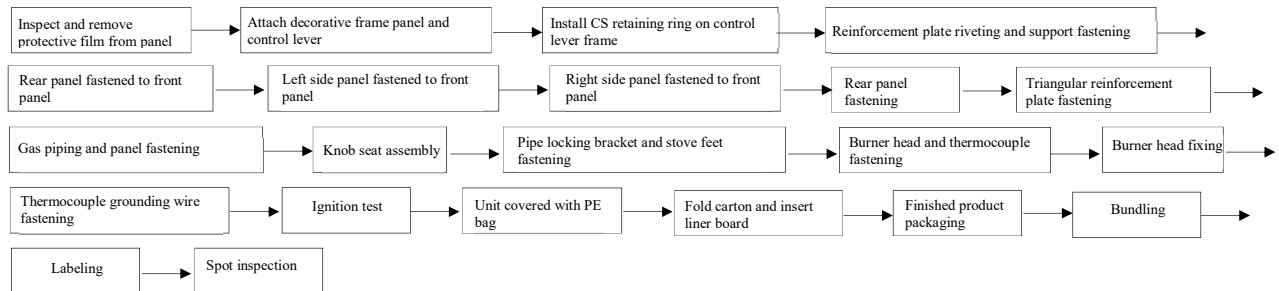
Water Heater Production Flow Chart



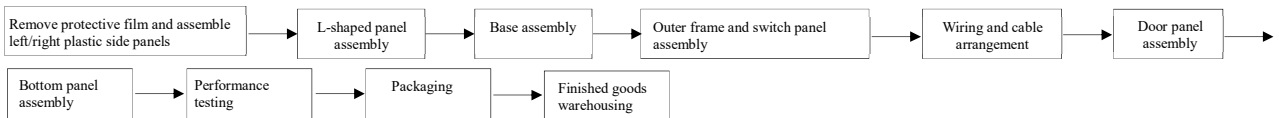
Range Hood Production Flow Chart



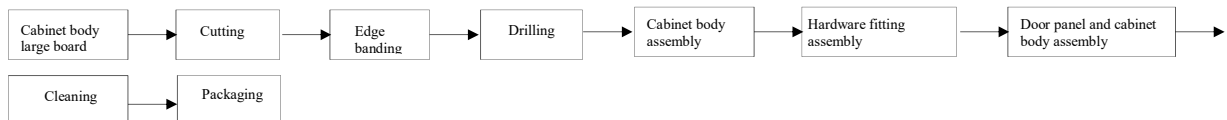
Gas Stove Production Flow Chart



Dish Dryer Production Flow Chart



Cabinet of Kitchen System Production Flow Chart



(III) Supply status of main raw materials:

Major Products	Main raw materials	Main source	Supply status
Water heaters	Water tanks, flue ducts, switches, burners, etc.	Taiwan and Mainland China	Good
Kitchen appliances	Steel sheets, motors, fan blades, control boards, etc.		
Integrated kitchens	Gas appliances, panel materials, aluminum materials, engineered stone, etc.	Taiwan and Europe	

(IV) Suppliers and customers accounting for more than 10% of total purchases or sales in the most recent two fiscal years:

1. Major suppliers: None.
2. Major customers:

Unit: NT\$ thousand

2024				2025			
Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer	Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer
Company C	1,555,418	16.2	None	Company C	1,601,272	15.6	None
Others	8,045,451	83.8		Others	8,673,333	84.4	
Net sales	9,600,869	100.0		Net sales	10,274,605	100.0	

Reason for increase/decrease: No material changes between the two periods

III. Employee information for the most recent two fiscal years and up to the date of printing of this Annual Report

Year		End of 2024	End of 2025	As of March 31, 2026
Number of employees	Direct manufacturing labor	400	403	411
	Indirect manufacturing personnel	150	151	151
	Sales personnel	382	405	407
	Administrative personnel	105	105	103
	R&D personnel	57	56	56
	Total	1,094	1,120	1,128
Average age		39.43	39.76	39.76
Average years of service		8.49	8.76	8.76
Educational background distribution ratio	Doctorate	0.2%	0.2%	0.2%
	Master's degree	7.6%	8.4%	8.3%
	University/college	48.1%	48.2%	47.5%
	Senior high school	23.5%	25.3%	26.4%
	Below senior high school	20.6%	17.9%	17.6%

IV. Environmental protection expenditure information

In the most recent fiscal year and up to the date of printing of this Annual Report, the Company did not incur any losses due to environmental pollution (including compensation, or violations of environmental protection laws identified through environmental inspections requiring disclosure of penalty date, reference number, violated provisions, nature of violation, and penalties imposed). There were also no current or reasonably estimable future amounts expected to arise. No such circumstances.

V. Labor-management relations

(I) Employee welfare measures, further education, training, retirement systems and their implementation status, labor-management agreements, and measures safeguarding employee rights and interests:

1. Employee welfare measures

To effectively promote employee welfare and meet employees' needs in work, life, safety, and health, the Company provides a variety of subsidies and welfare programs in addition to remuneration, enabling employees and their families to enjoy broader benefits outside work, enhancing employee identification with the Company and strengthening solidarity within the Group. The welfare measures and physical/mental well-being programs provided by the Company are summarized as follows:

- (1) A duly established Employee Welfare Committee actively promotes club activities and various welfare programs, including holiday bonuses for two annual festivals and birthdays,

marriage/funeral/moving/birth subsidies, hospitalization condolence allowance, and exclusive discounts from contracted merchants.

- (2) The Sakura Culture and Education Foundation provides annual scholarships and other educational subsidies for employees and their children.
- (3) The Company organizes Sakura Family Day or smaller events each year to strengthen bonds among employees, their families, and the Company.
- (4) Group insurance programs are provided to enhance employee protection and care.
- (5) In-service training programs are conducted on labor safety, environmental protection, occupational safety, and health education.
- (6) During Lunar New Year, Labor Day, Mother’s Day, Mid-Autumn Festival, annual year-end banquet events, and employee birthdays, the Company expresses appreciation and recognition to employees.
- (7) Employees are encouraged to voluntarily establish various recreational clubs to enrich life outside work.
- (8) Annual subsidies are provided for continuing education and learning, encouraging employees to improve themselves and develop additional work and life skills.
- (9) The Company organizes annual lectures focused on health, management, or humanistic care topics, providing knowledge enrichment beyond employees’ daily work functions.
- (10) An employee stock ownership trust program has been established, together with Company contributions, to help safeguard employees’ retirement lives.
- (11) Pursuant to the Articles of Incorporation, where annual profits are generated, 2% to 8% shall first be appropriated as employee compensation, allowing labor and management to share in the Company’s operating results together.

2. Employee education and training

- (1) Sakura has always regarded employees as the Company’s most critical asset, and education and training are critical means of ensuring the continuous appreciation of human capital. Accordingly, the Company provides necessary and appropriate training and development programs to improve work quality and performance, build consensus, and ensure the achievement of corporate operating objectives. Therefore, employee cultivation and development remain one of the Company’s highest priorities.
- (2) Employee education and training expenditures for 2025 amounted to NT\$2,932,000. A summary of the related training programs is as follows:

Category / Internal and External Training Programs	Total Participants	Total Hours
Management Courses	763	2,508
Manufacturing Courses	302	1,710
Marketing and Sales Courses	57	399
Human Resources Courses	182	1,250
R&D and Technical Courses	321	1,120
Finance and Accounting Courses	52	178
Computer and Information Courses	420	1,136
Occupational Safety and Health Courses	2,896	8,699
Self-Development Courses	310	106
Orientation Training for New Indirect Employees	126	975
Total	5,429	18,081

- (3) Employee continuing education and training regulations
To cultivate talent at all levels, unlock employees’ potential, and achieve work objectives. The Company has established comprehensive employee continuing education and training regulations. Various training courses are implemented in a planned manner to ensure that all employees possess the appropriate capabilities required to perform their duties. To ensure training effectiveness, the Company’s training framework covers orientation training for new hires, professional/level-based training, project-based training, on-the-job training (OJT), and external training programs. Since 2024, the “Sakura eLearning Cloud” has been officially launched, providing employees with a diversified digital learning platform offering courses such as digital tool applications, social media marketing, and personal growth. In addition to meeting diverse learning needs, employees may also arrange their learning schedules flexibly, making learning more accessible and versatile.

Through its comprehensive employee education and training system, the Company aims to cultivate the talent required for all areas of work, ensure product quality, and enhance operational efficiency. Through these efforts, the Company seeks to earn customer trust and achieve outstanding win-win results for customers, shareholders, the Company, and employees alike.

3. Employee retirement system and implementation status

To safeguard employees' post-retirement lives, the Company has established a retirement system in accordance with the Labor Standards Act and makes regular contributions to the statutory pension reserve account. Employees may apply for voluntary retirement if they have served the Company for more than 15 years and reached age 55, or served more than 10 years and reached age 60, or completed 25 years of service. The Human Resources Department regularly reviews the list of employees approaching retirement age to understand their retirement intentions in advance and to provide career planning guidance.

For employees hired on or before June 30, 2005 (inclusive), under the Taiwan Labor Standards Act and the Labor Pension Act, pension reserves under the old pension scheme are contributed monthly to the old pension reserve account administered by the Central Trust of China at 2% of monthly salary for each employee with service years eligible under the old scheme. As of December 31, 2025, the balance of the aforementioned labor pension reserve account was NT\$160,943,000, which was sufficient to meet the current retirement needs of relevant employees.

Under the new pension scheme, the Company contributes 6% monthly to each eligible employee's individual pension account. In addition to the employer's fixed monthly contribution of 6%, employees may voluntarily contribute an additional 0% to 6%, at their own discretion, to their individual pension accounts.

The Company established an employee stock ownership trust plan in October 2003. Employees who have completed six months of service may apply to participate. Fixed monthly contributions are made by employees, and the Company provides a matching contribution equal to 200% of the employee contribution to purchase Company shares. This helps employees build long-term savings, accumulate wealth, enhance their sense of participation in the Company, share in corporate operating results, and strengthen retirement security.

4. Labor-management relations

Since its establishment, the Company has attached great importance to employee relations. Labor and management have jointly established work rules. In addition to strengthening communication between department supervisors and subordinates regarding departmental and individual work objectives, capabilities, and conduct, the Company also convenes regular labor-management meetings to collect and communicate employees' opinions and suggestions, thereby promoting harmonious labor-management relations and enabling close cooperation between both parties. The Company has established an Employee Welfare Committee, which organizes various group and social activities from time to time to foster strong relationships between labor and management. In addition, employee communication channels are available, through which all employees may submit comments or suggestions at any time.

5. Measures for protecting employee rights and interests

The Company has established an Employee Welfare Committee and an Occupational Safety and Health Committee in accordance with applicable laws. The internal audit unit regularly reviews the appropriation and utilization of employee welfare funds, the contribution and payment of pension reserves, and the establishment of safe and healthy workplace behaviors and practices. Through internal training programs, monthly meetings, Line@Sakurans, internal publications such as Sakura e-Quarterly and Sakura Express, as well as regular and ad hoc communication meetings, the Company actively promotes corporate policies, systems, and employee welfare measures.

(II) There were no losses incurred due to labor disputes in the most recent fiscal year or up to the date of printing of this Annual Report.

(III) Measures for protecting the working environment and employee personal safety

The Company conducts regular maintenance of firefighting equipment, alarm systems, and evacuation facilities to ensure proper operation, and carries out inspections and filings in accordance with law. The factory is equipped with combustible gas leakage detection and alarm systems, as well as automatic shut-off valve systems. Special operation areas are subject to periodic sampling and monitoring. First-aid kits, AED devices, and nursing personnel are also provided to ensure workplace safety.

The Company regularly conducts occupational safety and health training programs, including courses on electrical safety, the use and management of hazardous chemicals, and first aid. For fire safety, fire drills are conducted semiannually to strengthen employees' disaster prevention awareness. Details are as follows:

1. Each February and August, the Company engages professional institutions to conduct workplace environment monitoring. Items tested include organic solvents, dust, and noise. Test results are publicly announced after completion. For areas exceeding regulatory standards, engineering improvements or administrative control measures are implemented to protect employee health.
2. In accordance with the Occupational Safety and Health Act and the Labor Standards Act, the Company seeks to prevent occupational diseases and establish a healthy workplace. In addition, pursuant to the Labor Health Protection Rules, the Company implements periodic health examinations, including general health examinations, special health examinations, and executive health examinations. Physicians inform employees of the examination results. For employees with abnormal health conditions, health management and follow-up measures are implemented, and relevant departments are advised to take corrective actions, such as reassignment to suitable positions, use of personal protective equipment, and additional training.
3. The Company obtained ISO 9001 Quality Management System certification in May 2003. Following multiple revisions and upgrades, the Company passed the annual audit under the 2015 version in 2018 (valid period: July 27, 2024 to August 3, 2027). By adhering to the seven quality management principles, the Company emphasizes full employee participation, continuous improvement, and risk management, and is committed to meeting customer needs and pursuing quality excellence.
4. The Company obtained ISO 14001:2004 Environmental Management System certification in September 2011. Following multiple revisions and upgrades, the Company passed the annual audit under the 2015 version in 2018 (valid period: August 15, 2023 to July 16, 2026). All employees are committed to environmental pollution prevention, resource recycling, and the development of energy-saving products, while continuously promoting the environmental management system and ensuring the soundness of the Company's environmental protection management mechanisms.
5. The Company obtained ISO 45001:2018 Occupational Health and Safety Management System certification in December 2018 (valid period: December 25, 2024 to December 24, 2027), ensuring a safe working environment for employees and seeking to reduce workplace hazards and related illnesses.

(IV) Employee Code of Conduct and Ethical Standards:

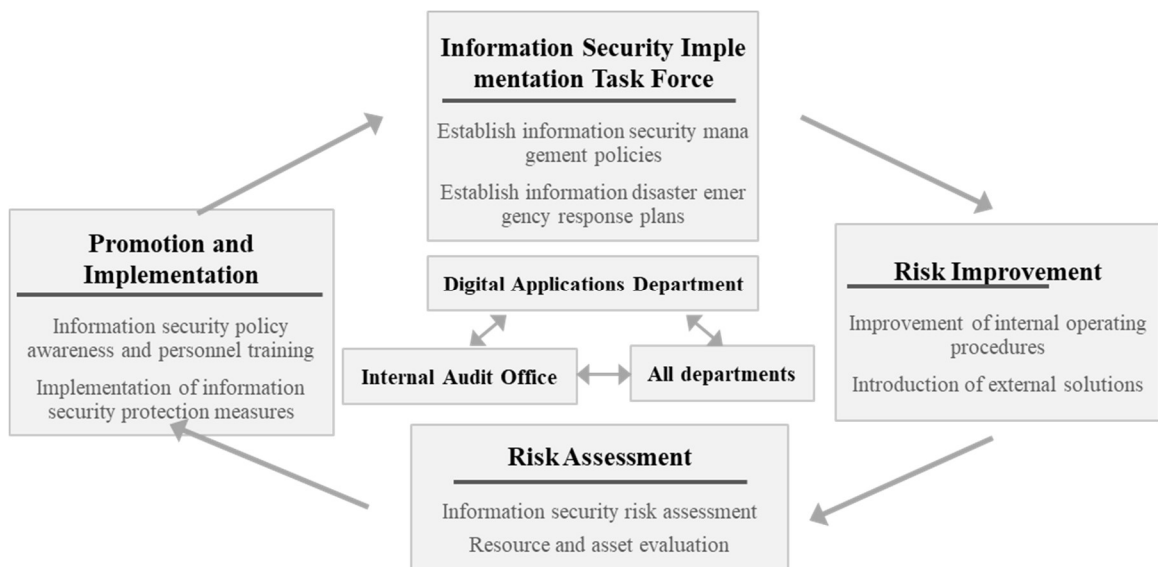
Through the internal corporate website, the Company clearly communicates all welfare programs and systems established over the years to every employee. All employees are required to comply with government laws and regulations, as well as the Company's established rules and procedures. Integrity and honesty are the most important bonds linking supervisors and employees at all organizational levels and represent the Company's highest ethical standards. The Company's Employee Professional Ethics Management Regulations clearly set forth the standards of conduct applicable to all employees, including the following:

1. Conduct all business activities with integrity and faithfully record all transactions and dealings.
2. Ensure the confidentiality of business information when performing duties, maintain complete business and operational records, and respect the business assets, intellectual property, and personal data of the Company, customers, and business partners.
3. All employees have the duty to report any misconduct or suspected violations of this code to management.
4. Treat the Company's customers, suppliers, competitors, and fellow employees fairly. No employee may manipulate, conceal, or misuse proprietary information, misrepresent material facts, or engage in any other unfair trading practices.
5. No employee may solicit, accept, or provide kickbacks or other improper benefits to or from customers, suppliers, or other persons related to business activities.
6. All employees are strictly prohibited from accepting cash or other disguised valuables, such as gift certificates, checks, stocks, or other securities.
7. All employees are prohibited from accepting entertainment or recreational hospitality.

VI. Cybersecurity management

(I) Cybersecurity Risk Management Framework

1. **Organizational Operating Model:** A PDCA (Plan-Do-Check-Act) cyclical management model is adopted to ensure the achievement of reliability objectives and continuous improvement.
2. **Digital Applications Department:** The Digital Applications Department serves as the Company's information security authority. The department is staffed with one department head and several professional IT personnel and is responsible for formulating internal information security management policies, planning and implementing information security operations, and promoting and executing cybersecurity policies. The Chief Information Security Officer reports the Company's cybersecurity strategies and specific implementation status to the Board of Directors on a regular annual basis. The most recent report was presented to the Board on January 7, 2026.
3. **Internal Audit Office:** The Internal Audit Office serves as the supervisory unit for cybersecurity governance. The office is staffed with one chief internal auditor and several full-time audit personnel and is responsible for overseeing the implementation of internal cybersecurity measures. It regularly reports the results of information security inspections to the Audit Committee. Where deficiencies are identified during audits, the audited unit is immediately required to submit corrective action plans and specific remedial measures, and improvement results are regularly tracked to reduce internal cybersecurity risks.



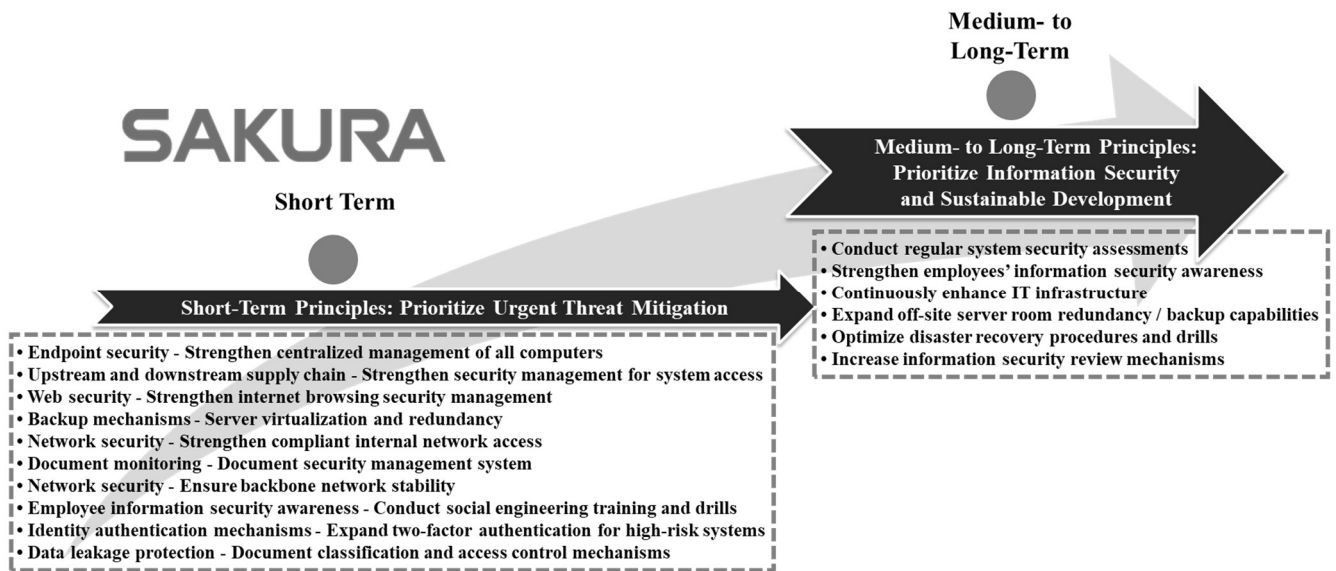
(II) Cybersecurity Policy

SAKURA Information Security Management Strategy			
Education and Awareness Training	Corporate network layer	USB device management and scanning	Anti-virus / Anti-intrusion mechanisms
		Enhanced network controls for external connections at all levels	Logging and audit mechanisms
	Monitoring and management layer	Operating system application whitelisting controls	Information security protection software
		Regular backup of program codes and configuration files	Software / firmware security update mechanisms
	Other information security requirements	Information security standards for video surveillance systems	Application security standards
		Establishment of password management mechanisms	Sensitive data management
		Information Security Monitoring	

(III) Scope and Coverage of Cybersecurity Management

The scope of the Company’s cybersecurity management covers employees, customers, suppliers, shareholders, and operational information software and hardware systems. The objective is to ensure the security of the Company’s information systems, implement network and system security controls and protective measures, establish relevant rules and regulations, and apply technical and data security standards. These measures safeguard privacy protection and information security during business interactions with employees, suppliers, and customers, while also improving decision-making quality and reducing operational and cybersecurity risks.

(IV) Information Security Management Plan



(V) Specific Management Measures

Category	Description	Content
Prevention of external intrusion	Installation of firewalls and anti-virus software	<ul style="list-style-type: none"> • Network firewalls are deployed. • Anti-virus software is installed on servers and computer hosts. • Regular system updates • Anti-virus virus definitions are automatically updated. • Regular anti-virus scans are performed on computers.
Prevention of data leakage	Account and access rights management	<ul style="list-style-type: none"> • User accounts are reviewed and managed. • System access rights settings are regularly inspected.
Maintenance of daily operations	Data backup and related verification	<ul style="list-style-type: none"> • Data backups are performed based on the nature and classification of data. • Off-site backups are maintained. • Data restoration tests are conducted regularly. • Daily server inspections and system tests are carried out. • Computer systems are inspected regularly. • At 19:10 each day, the ERP system automatically retrieves the list of resigned employees and deactivates related accounts.
Cybersecurity incident response	Disaster recovery plan	<ul style="list-style-type: none"> • The Information Disaster Emergency Response Plan has been established. • Disaster simulation drills are conducted regularly. • After each event or drill, disaster recovery implementation reports are prepared and reviewed for improvement.

(VI) Resources invested in cybersecurity management

1. Education and training: Information security training is provided to all new employees. In addition, personal data protection awareness is promoted during monthly company meetings. Cybersecurity-related training conducted in 2025 is summarized below:

Date	Course Title	Hours	Participants
May 5, 2025	Monthly Meeting Awareness Session – Personal Data Protection Awareness_Head Office	1	190
May 6, 2025	Monthly Meeting Awareness Session – Personal Data Protection Awareness_Sakura Kitchen	1	48
May 7, 2025	Monthly Meeting Awareness Session – Personal Data Protection Awareness_Manufacturing, R&D and Home Collection	1	160
December 1, 2025	Monthly Meeting Awareness Session – Information Security Awareness_Head Office	1	190
December 2, 2025	Monthly Meeting Awareness Session – Personal Data Protection Awareness_Sakura Kitchen	1	48
December 3, 2025	Monthly Meeting Awareness Session – Personal Data Protection Awareness_Manufacturing, R&D and Home Collection	1	160

2. Cyber insurance: The Company believes that its current information security risk management measures provide effective protection. In addition, considering that cyber insurance remains an emerging type of coverage, the Information Security Implementation Task Force has assessed that no cyber insurance will be purchased at this stage.

- (VII) Losses incurred, potential impacts, and responsive measures arising from material cybersecurity incidents in the most recent fiscal year and up to the date of printing of this Annual Report: There were no material cybersecurity incidents or related losses in the most recent fiscal year or up to the date of printing of this Annual Report.

VII. Important contracts

Nature of Contract	Party Concerned	Contract Term	Main Contents	Restrictive Clauses
Agency rights	Ying Chun Co., Ltd. and eight other entities	Subject to the respective agreements	Authorized as domestic general distributors of Sakura-branded range hoods, gas stoves, water heaters, and other products	None
Manufacturing agreements with partner suppliers	Stampro Metal Industry Co., Ltd. and other entities (120 in total)	Subject to the respective agreements	Commissioned manufacturing and procurement of raw materials, components, outsourced processing, and related items	Exclusive use provisions apply to molds or designs provided by the Company in certain cases
Construction agreement for self-owned land development	Wei Zheng Construction Co., Ltd.	From January 12, 2026 until completion	Demolition and reconstruction project for the Wuri North Plant buildings	None
Loan Agreement	Bank of Taiwan, Taichung Branch	December 1, 2023 to December 1, 2038	Medium- to long-term secured mortgage loan of NT\$120 million	None
Loan Agreement	Bank of Taiwan, Taichung Branch	September 27, 2024 to September 27, 2034	Medium- to long-term secured mortgage loan of NT\$200 million	None

Chapter 5 Review and Analysis of Financial Condition, Financial Performance, and Risk Matters

I. Analysis of financial condition

Consolidated balance sheets for the most recent two years

Unit: NT\$ thousand

Item \ Year	End of 2024	End of 2025	Difference	
			Amount	%
Current assets	6,054,419	6,139,450	85,031	1.40
Property, plant and equipment	2,308,656	2,631,363	322,707	13.98
Other non-current assets	2,266,315	2,441,696	175,381	7.74
Total assets	10,629,390	11,212,509	583,119	5.49
Current liabilities	3,346,050	3,452,556	106,506	3.18
Non-current liabilities	699,774	737,385	37,611	5.37
Total liabilities	4,045,824	4,189,941	144,117	3.56
Share capital	2,211,212	2,223,896	12,684	0.57
Capital surplus	141,154	244,418	103,264	73.16
Retained earnings	4,092,889	4,434,815	341,926	8.35
Other equity	115,947	36,765	(79,182)	(68.29)
Treasury shares	(21,248)	(21,248)	-	-
Non-controlling interests	43,612	103,922	60,310	138.29
Total equity	6,583,566	7,022,568	439,002	6.67

Analysis of changes exceeding 20% and NT\$50 million in the most recent two years:

1. Increase in capital surplus: Mainly attributable to the issuance of restricted shares to employees in 2025, resulting in an increase of NT\$91.24 million in capital surplus – restricted shares to employees.
2. Decrease in other equity: Mainly attributable to the issuance of restricted shares to employees in 2025, resulting in a decrease of NT\$86.03 million in other equity – unearned employee compensation, as well as a decrease of NT\$13.46 million in exchange differences on translation of foreign operations due to the depreciation of the U.S. dollar.
3. Increase in non-controlling interests: Mainly attributable to the acquisition of a 51% equity interest in Eiffel Co., Ltd. in 2025, resulting in the initial recognition of related non-controlling interests of 62.13 million.

II. Analysis of financial performance

Consolidated statements of income for the most recent two years

Unit: NT\$ thousand

Item \ Year	2024	2025	Difference	
			Amount	%
Operating revenue	9,600,869	10,274,605	673,736	7.02
Operating costs	6,201,887	6,645,553	443,666	7.15
Gross income	3,398,982	3,629,052	230,070	6.77
Operating expenses	1,935,379	2,055,582	120,203	6.21
Operating income	1,463,603	1,573,470	109,867	7.51
Non-operating income and expenses	163,147	134,054	(29,093)	(17.83)
Profit before tax	1,626,750	1,707,524	80,774	4.97
Income tax expense	334,630	333,654	(976)	(0.29)
Net profit for the year	1,292,120	1,373,870	81,750	6.33
Net profit attributable to owners of the parent	1,300,674	1,372,682	72,008	5.54
Net profit(loss) attributable to non-controlling interests	(8,554)	1,188	9,742	113.89
(I) Analysis of changes exceeding 20% and NT\$50 million in the most recent two years: None.				
(II) Expected sales volume and basis thereof, and the possible impact on the Company's future financial and business operations together with response measures: Please refer to Chapter 1 of this Annual Report, Letter to Shareholders – Summary of the 2026 Business Plan.				

III. Cash flow analysis

(I) Explanation of changes in consolidated cash flows for the most recent fiscal year:

Unit: NT\$ thousand

Item \ Year	2024	2025	Difference	
			Amount	%
Net cash inflow from operating activities	1,191,184	1,329,645	138,461	11.62
Net cash outflow from investing activities	(510,602)	(415,814)	94,788	18.56
Net cash outflow from financing activities	(726,713)	(1,162,800)	(436,087)	(60.01)
Analysis of changes exceeding 20% and NT\$50 million in the most recent two years: 1. Net cash outflow from financing activities: Mainly attributable to a decrease of NT\$199 million in proceeds from long-term borrowings and an increase of NT\$179.42 million in cash dividends paid.				

(II) Improvement plan for insufficient liquidity: Not applicable.

(III) Cash liquidity analysis for the coming year

Unit: NT\$ thousand

Beginning cash balance	Net cash inflow from operating activities for the year	Cash outflow from investing activities for the year	Cash outflow from financing activities for the year	Cash surplus (shortfall)	Remedial measures for cash shortfall	
					Investment plan	Financial plan
2,157,010	1,397,000	(358,000)	(1,126,000)	2,070,010	-	-
1. Operating activities: Revenue and profitability are expected to grow steadily over the coming year, generating cash inflows.						
2. Investing activities: Cash outflows are expected from purchases of property, plant and equipment over the coming year.						
3. Financing activities: Cash outflows are expected from the payment of cash dividends over the coming year.						

IV. Impact of major capital expenditures in the most recent fiscal year on financial and business operations

As the Company's operations remain sound and cash inflows from operating activities are stable, funding for the major capital expenditures relating to the demolition and reconstruction project of the Wuri North Plant in recent years has primarily been sourced from internally generated operating funds. Accordingly, no material impact on the Company's financial position has arisen.

V. Reinvestment policy in the most recent fiscal year, main reasons for profits or losses, improvement plans, and investment plans for the coming year

(I) Reinvestment policy in the most recent fiscal year

The Company's reinvestment policy is based on strategic investments undertaken in consideration of business development needs and future growth prospects.

(II) Main reasons for profits or losses from reinvestments and improvement plans

In 2025, the Company recognized investment income of NT\$149,335,000 under the equity method in its parent company only financial statements, representing a decrease of NT\$54,428,000 from the previous year. The principal reason was the loss of NT\$27,986,000 incurred in 2025 by SAKURA Home Collection Co., Ltd., a wholly owned subsidiary of the Company. The loss was primarily attributable to the impact of tightened mortgage lending restrictions and tighter liquidity conditions in 2025, which caused overall housing demand to become more conservative and led developers to adopt a more cautious approach to project launches and sales strategies. As system cabinetry and interior renovation services of the home living business are one of the promotional tools used in property sales projects, order intake and sales performance of the home living business were affected. The home living business is an important strategic business through which the Company expands its presence in the integrated home living industry. It primarily provides integrated home renovation solutions through cooperation with property developers. To promote the "HOME in O.N.E" integrated service strategy, the Company has successively established flagship brand centers in Taipei and Taichung as key business development and integrated service platforms focused on developers and project markets. In October 2025, the Company further expanded into southern Taiwan with the opening and commencement of operations of the Kaohsiung brand center, completing the north-central-south brand center network. This has strengthened the Company's business development foundation in the nationwide property development market and laid an important foundation for the future growth of the home living business.

In response to dynamic market conditions, the Company will continue to enhance the operating effectiveness of its brand centers, strengthen cooperative relationships with developers and project clients, and improve overall operating efficiency through optimization of product mix, enhancement of project management efficiency, and stronger cost control mechanisms, thereby gradually improving operating performance. The Company will also continue to deepen the HOME in O.N.E integrated service model, strengthen product integration capabilities and its nationwide service network, prudently promote business expansion, and steadily enlarge its operating scale, enabling the home living business to progressively increase its contribution to the Company's overall operations and become an important long-term growth driver.

(III) Investment plan for the coming year: None.

VI. Analysis and assessment of risk matters for the most recent fiscal year and up to the date of printing of this Annual Report

(I) Impact of interest rate fluctuations, exchange rate fluctuations, and inflation on the Company's profit or loss, and future response measures:

Unit: NT\$ thousand

Item	2024		2025	
	Amount	% of net revenue	Amount	% of net revenue
Net interest income (expense)	22,167	0.23%	13,075	0.13%
Exchange gain (loss)	41,831	0.44%	(2,482)	0.02%

1. Interest rate fluctuations:
The Group's borrowings are all for short-term funding needs. Borrowing rates vary by currency; however, the amounts involved are not material. Accordingly, fluctuations in market interest rates do not pose significant risk of volatility in future cash flows.
 2. Exchange rate fluctuations:
The Group's foreign exchange risk mainly relates to operating activities (when revenues or expenses are denominated in currencies different from the Group's functional currency) and net investments in foreign operations. The Group's treasury personnel closely monitor trends and movements in major international currencies at all times to manage exchange rate developments, and maintain sound relationships with banks in order to obtain broader foreign exchange information and more favorable exchange quotations.
 3. Inflation: Inflation has had no material impact on the Company's profit or loss.
- (II) Policies regarding high-risk, highly leveraged investments, loans to others, endorsements/guarantees, and derivative transactions; primary causes of gains or losses; and future response measures:
The Company has not engaged in high-risk or highly leveraged investment transactions. Loans to others, endorsements/guarantees, and derivative transactions are conducted in accordance with the policies and response measures set forth in the Procedures for Loaning of Funds to Others, Procedures for Endorsements and Guarantees, and Procedures for Acquisition or Disposal of Assets.
- (III) Future R&D plans and estimated R&D expenditures:
The Company will continue to build on its expertise in gas kitchen appliance technologies and develop high-technology, high-safety, and high-value-added products to meet consumer needs and maintain its leading market position in the industry. Estimated R&D expenditures for the coming year are approximately NT\$112,169,000.
- (IV) Impact of major domestic and international policy and legal changes on the Company's financial and business operations, and response measures:
The Group will continue to monitor major domestic and international policy and legal developments and take appropriate measures in a timely manner. No material impact on financial or business operations is expected.
- (V) Impact of technological changes (including cybersecurity risks) and industry developments on the Company's financial and business operations, and response measures:
The Group continues to monitor technological developments and major domestic and international cybersecurity incidents. In response to increasingly aggressive global cyberattacks, the Group has enhanced and optimized the security of externally connected systems, upgrading from passive, manually driven defensive measures to intelligent, proactive, coordinated defense mechanisms to reduce external attack attempts. The Group has also introduced MDR services to address unknown threats not detectable by conventional antivirus software. There were no material impacts on the Company's financial or business operations in the most recent fiscal year arising from technological or industry changes.
- (VI) Impact of changes in corporate image on crisis management, and response measures: No such circumstances.
- (VII) Expected benefits, possible risks, and response measures relating to mergers and acquisitions: No such circumstances.
- (VIII) Expected benefits, possible risks, and response measures relating to plant expansion: No such circumstances.
- (IX) Risks arising from concentrated purchasing or sales, and response measures:
1. In terms of purchasing, in addition to maintaining sound cooperative relationships with existing suppliers, the Company actively develops secondary-source suppliers, processors, and subcontractors to diversify procurement concentration risk and risks of material shortages.

2. In terms of sales, the Company currently maintains good relationships with its major customers. In addition to stable cooperation with existing customers, each business unit actively develops new customers to diversify sales concentration risk.
- (X) Impact, risks, and response measures arising from large-scale transfers or changes in shareholdings by directors, supervisors, or major shareholders holding more than 10%: No such circumstances.
- (XI) Impact, risks, and response measures arising from changes in management control: No such circumstances.
- (XII) Litigation or non-litigation matters that have been finally adjudicated or remain pending involving the Company, its directors, supervisors, President, de facto responsible persons, major shareholders holding more than 10% of the shares, or subsidiaries, where the outcome may materially affect shareholders' equity or the price of the Company's securities, including the facts in dispute, amount in controversy, date of commencement of the proceedings, principal parties involved, and status as of the date of printing of this Annual Report: No such circumstances.
- (XIII) Other material risks and response measures: None.

VII. Other material matters

(I) Intellectual property management plan

The Company has consistently upheld its business philosophy of Innovation, Quality, and Service, values consumer needs, and is committed to creating comprehensive customer services. To protect advanced research and development outcomes, sustain innovation momentum, strengthen competitive advantages, enhance profitability, achieve operational objectives, ensure the Company's sustainable development, safeguard its own rights and interests, avoid infringing upon the rights of others, and foster proper awareness of intellectual property management and the importance of research and development innovation among all personnel, the Company has formulated an intellectual property management plan aligned with its operational objectives and research and development resources.

1. Intellectual property management strategy

To strengthen competitiveness and brand image, the Company established its 2025 intellectual property management policy and continues to enhance the acquisition, protection, and maintenance of intellectual property rights:

- (1) Acquisition: Strengthen intellectual property portfolio planning, respect the intellectual property rights of others, and reduce infringement risks.
- (2) Protection: Protect proprietary intellectual property rights and safeguard the Company's research and development outcomes to enhance corporate competitiveness.
- (3) Maintenance: Strengthen patent and trademark management to protect the Company's rights and interests and sustain competitive advantages.

2. Intellectual property management system

(1) Trademark management

To govern the application, renewal, maintenance, protection, licensing, and related procedures for the Company's domestic and overseas trademarks, the Company has established Trademark Management Rules, which are revised from time to time as appropriate.

Each department may submit trademark applications based on business needs. Prior to filing, an evaluation process is conducted to determine whether the proposed mark satisfies trademark requirements such as distinctiveness and whether any identical or similar prior trademarks have already been approved by the competent authority. The Legal Affairs Department periodically inventories and reviews the validity of the Company's trademarks and maintains formal records. Renewals are processed as needed to ensure that all trademarks remain valid and in use within their effective terms.

(2) Patent management

The Company has established Patent Management Regulations through incentive measures designed to encourage the R&D Department, cultivate talent, stimulate innovation, and build a foundation for technological accumulation and sustainable development.

To enhance patent quality, protect its own rights and interests, and reduce intellectual property risks, the Company conducts proposal evaluations prior to patent applications, including prior-art searches to assess potential infringement concerns. Before developing new products

and technologies, the Company also performs patent research and strategic patent portfolio planning. In addition, the Company regularly monitors competitor product developments, including competitor patent surveillance and the collection and analysis of competitors' new products.

(3) Trade secrets

The Company periodically promotes awareness among employees regarding the importance of protecting the Company's trade secrets and information security, with the aim of strengthening employees' awareness of safeguarding confidential corporate information. All newly hired employees are required to sign an Employee Service Agreement to ensure proper ownership of intellectual property rights.

The Company also strictly complies with the confidentiality obligations and responsibilities set forth in the Employee Professional Ethics Management Regulations, Detailed Rules for Computer Security Control Management, and Regulations Governing the Protection of Technical Documents, Drawings, and Confidential Information. Relevant information security management measures are rigorously implemented to prevent improper disclosure of confidential corporate information that could harm the Company's interests.

3. Implementation of intellectual property management

(1) The Company has progressively implemented its intellectual property management system since 2004 and has continuously refined and revised it as appropriate. Implementation is summarized below:

① Rules and regulations – trademarks

- Since 2013, each subsidiary and business unit has successively established Brand Management Rules to strengthen brand (logo) management and ensure consistent consumer perceptions of the Company and its brands across all customer touchpoints.
- Since 2014, the Company has established Trademark Management Rules governing trademark management matters.

② Rules and regulations – patents

- Since 2004, the Company established Patent Incentive Guidelines to protect and manage research and development outcomes. In 2012, these were formally revised into the Patent Management Rules.

③ Rules and regulations – trade secrets

- Since 2008, the Company established a Code of Professional Ethics, which was formally revised into the Employee Professional Ethics Management Regulations in 2015.
- Since 2005, the Company established Rules Governing the Protection of Technical Documents, Drawings, and Confidential Information, which were formally revised into the Regulations Governing the Protection of Technical Documents, Drawings, and Confidential Information in 2010.
- Since 2012, the Company has established the Detailed Rules for Computer Security Control Management.

④ Awareness and Training

- The Company uses internal monthly meetings to promote awareness of trade secret protection and information security among employees.
- The Company also utilizes AI patent search software to enhance development efficiency.

(2) The current intellectual property portfolio and achievements obtained by the Company and its major domestic subsidiaries are as follows:

① Patents: As of December 31, 2025, the total number of valid patents had accumulated to 195, including 116 invention patents.

② Trademarks: As of December 31, 2025, the Company held 206 valid trademarks in Taiwan and 93 valid trademarks overseas.

(3) The Company reported the implementation status of its intellectual property management plan to the Board of Directors on January 7, 2026.

Chapter 6 Special Disclosures

- I. Information on affiliated enterprises
 - (I) Consolidated operating report of affiliated enterprises: Please refer to the “Three Statements and Reports of Affiliated Enterprises” section of the Market Observation Post System (MOPS).
 - (II) Consolidated financial statements of affiliated enterprises:
For 2025 (from January 1, 2025 to December 31, 2025), the companies required to be included in the consolidated financial statements of affiliated enterprises under the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises were identical to those required to be included in the consolidated parent and subsidiary financial reports under IFRS 10 Consolidated Financial Statements. In addition, all relevant information required to be disclosed in the consolidated financial statements of affiliated enterprises has already been disclosed in the aforementioned consolidated parent and subsidiary financial reports. Accordingly, no separate consolidated financial statements of affiliated enterprises were prepared.
 - (III) Affiliation report: Not required.
- II. Status of private placement of securities in the most recent fiscal year and up to the date of printing of this Annual Report: No such circumstances.
- III. Other necessary supplementary information: No such circumstances.
- IV. Matters occurring in the most recent fiscal year and up to the date of printing of this Annual Report as specified in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act that had a material effect on shareholders’ equity or the price of the Company’s securities: No such circumstances.