

Stock Code : 1309

Taita Chemical Company, Limited

Handbook for the

2024 Annual General Meeting

of Shareholders

Date : May 31, 2024

**Location : 5F., No.2, Yuanshan Rd., Niasong Dist.,
Kaohsiung City, Taiwan (R.O.C.)
The Kaohsiung Grand Hotel, Po Shou Hall
(Physical shareholders meeting)**

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Taita Chemical Company, Limited
Procedure of the 2024 Annual General Meeting
of Shareholders

1. Calling the Meeting to Order
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5. Matters for Ratification
6. Matters for Election
7. Matters for Discussion
8. Extemporaneous Motions
9. Adjournment

Taita Chemical Company, Limited
Year 2024
Agenda of Annual General Meeting of Shareholders

Date : May 31, 2024 (Friday) PM 01:00

Location : 5F., No.2,Yuanshan Rd., Niasong Dist., Kaohsiung
City, Taiwan (R.O.C.)

The Kaohsiung Grand Hotel, Po Shou Hall
(Physical shareholders meeting)

1. Report Items :

- (1) To report 2023 operating results.
- (2) To report Audit Committee's Review Reports of 2023 Financial Statement.
- (3) To report 2023 remuneration of directors and employees.

2. Matters for Ratification :

- (1) To ratify 2023 Business Report and Financial Statements.
- (2) To ratify 2023 Earnings Distribution.

3. Matters for Election :

To elect nine directors.

4. Matters for Discussion :

To approve the permission of directors for competitive actions.

5. Extemporaneous Motions :

6. Adjournment

I. Report Items :

Report 1

To report 2023 operating results.

Taita Chemical Company, Limited.

2023 Business Report

The Company's 2023 net operating revenue was NTD 10.577 billion, a decrease of NTD 2.293 billion or approximately 18% from NTD 12.87 billion last year, with a budget accomplishment rate of 86%. Net loss before tax was NTD 339 million, net loss after tax was NTD 274 million, and loss per share was NTD 0.69.

In terms of operation in 2023, the demand for consumer electronics in the European and American markets dropped significantly due to the Russo-Ukrainian war and rising interest rates, resulting in price drops that affected the overall marketing of ABS. However, thanks to the successful development of the Indian market, the sales increased by approximately 1.3%; sales of EPS products in Taiwan declined slightly by approximately 3% from 2022 due to lower global market demand; sales of GPS products in Taiwan increased from 2022 due to successful development of new customers in the Middle East/Africa approximately 6%.

The sales performance of individual product ranges is as follows:

The output of ABS products was 96,000 tons and the sales volume was 92,000 tons, resulting in a loss of NTD 434 million. The output of GPS/IPS products was 97,000 tons, with a profit of NTD 72 million. The output of EPS products was 58,000 tons, with a loss of NTD 36 million. The combined output of ABS/PS products was 251,000 tons,

and the sales volume was 247,000 tons, with a budget accomplishment rate of 95%. The revenue amounted to NTD 10,038 million, a decrease of NTD 2,296 million from the previous year, and the operating loss was NTD 398 million.

The output of glass wool products was 8,900 tons. The sales volume plus imported rock wool was 11,900 tons; revenue was NTD 526 million, and profit was NTD 58 million.

The total operating loss of the abovementioned products was NTD 340 million.

In terms of non-operating operations, Zhongshan Company was affected by the economic downturn in China, global inflation, the imbalance of supply and demand in the EPS market, and competition from the same industry. The Company's annual sales volume was approximately 130,000 tons, down 2% from the previous year; the main business suffered a loss of NTD 78 million; the non-operating income from interest was NTD 12 million, and the after-tax loss was NTD 47 million. Adding in the other losses recognized by the equity method of NTD 14 million, the total loss recognized under the equity method was NTD 61 million. In addition, net rental income was NTD 22 million, exchange gains were NTD 21 million, dividend income was NTD 12 million, net interest expense was NTD 12 million, and net income from other non-operating businesses was NTD 19 million. The total non-operating income was NTD 1 million.

Looking ahead to 2024, we will continue to monitor the impact of geopolitics and the U.S. Fed's decision on interest rates on the market, and continue to respond prudently. Overall, in addition to maximizing production and sales, we will focus on optimizing the customer

portfolio and increasing the market growth of areas outside China and Hong Kong. These will include increasing the proportion of direct customers and those outside China and Hong Kong for ABS, boosting the proportion of customers outside China and Hong Kong for GPS, and maximizing production and sales of EPS. Additionally, we will maintain stock control over raw materials and finished products to prevent market fluctuation from lowering operational performance. In terms of technology, manufacturing, market, application, product, and investment, we will continue to assess and plan capacity improvement, process efficiency enhancement, and new product and application R&D in order to boost operations and maximize production and sales.

Chairman : Wu, Yih-Guei

President : Wu, Pei-Chi

Chief Accounting Office : Wu, Chia-Ling

Report Items :

Report 2

To report Audit Committee's Review Reports of 2023 Financial Statement.

Taita Chemical Company, Limited

Audit Report

This Audit Committee has audited the 2023 Business Report produced by the Board of Directors, the financial statements (including consolidated and individual financial statements) audited and certified by CPA Hsiu-Chun Huang and CPA Cheng-Chun Chiu of Deloitte Taiwan, and the proposal for profit distribution and found no nonconformity. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, this report is presented for approval to AGM.

To

Taita Chemical Company, Limited 2024 Annual General Meeting of Shareholders

Audit Committee, Taita Chemical Company, Limited

Independent Director : Chen, Tyan-Wen

Independent Director : Way, Yung-Do

Independent Director : Lee, Kuo-Shiang

March 7, 2024

Report Items :

Report 3

To report 2023 remuneration of directors and employees.

Description : 1. Proceeded in accordance with related orders of the Ministry of Economic Affairs and Article 25 of the Articles of Incorporation of this Company.

2. Since the Company made no profit in 2023, no remuneration for directors and employees will be distributed.

II. Matters for Ratification :

Proposal 1

Proposed by the Board

To ratify 2023 Business Report and Financial Statements.

Description: 1. The 2023 financial statements (including consolidated and individual financial statements) approved by the Board on March 7, 2024 are audited by CPA Hsiu-Chun Huang and CPA Cheng-Chun Chiu of Deloitte Taiwan and the Audit Committee for the record.

2. Please refer to p.4-6 of this Handbook for the 2023 Business Report and p.10-34 for the CPA Audit Report and the financial statements.

Resolution :

Statement of Consolidated Financial Statements of Related Entities

The entities that are required to be included in the combined financial statements of Taita Chemical Co., Ltd. as of January 1 and for the year ended December 31 ,2023, under the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises”, are the same as those included in the consolidated financial statements prepared in conformity with IFRS 10, “Consolidated Financial Statements”. In addition, the information required to be disclosed in the combined financial statements of affiliates is included in the consolidated financial statements of Taita Chemical Co., Ltd. and subsidiaries. Consequently, we did not prepare a separate set of combined financial statements of affiliates.

Very truly yours,

Company Name: Taita Chemical Co., Ltd.

Chairman: Wu Yi-Gui

March 7, 2024

Independent Auditors' Report

To: Taita Chemical Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Taita Chemical Co., Ltd. and its subsidiaries (the “Company”), which comprise the balance sheets as from January 1 to December 31, 2023 and 2022 and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “financial statements”).

Based on the opinion of our accountant, the above-mentioned consolidated financial statements have been prepared in all material respects in accordance with the Financial Reporting Standards for Securities Issuers, as well as the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, effectively expressing the financial position of Taita Chemical Co., Ltd. and its subsidiaries as of December 31, 2023 and 2022, as well as the consolidated financial performance and cash flows from January 1 to December 31, 2023 and 2022.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. The responsibilities of the CPA under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in the professional judgment of the CPA, were of most significance in our audit of the 2023 Consolidated Financial Statements of Taita Chemical Co., Ltd. and its Subsidiaries. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Consolidated Financial Statements of Taita Chemical Co., Ltd. and its subsidiaries in 2023 are stated as follows:

Authenticity of the Recognition of Sales Revenue from Customers of Specific Products

Due to changes in market supply and demand, Taita Chemical Co., Ltd. and its subsidiaries experienced a decline in sales revenue in 2023 compared to 2022. However, sales in specific regions showed a growth trend compared to 2022. The verification of whether the sales revenue in these specific regions truly satisfies contractual obligations will have a significant impact on the consolidated financial report, making it a key audit matter for the current year.

For relevant accounting policies and disclosures of the recognition of sales revenue, please refer to Notes 4 and 24 of the consolidated financial statements.

We performed the corresponding audit procedures, for the authenticity of the recognition of sales revenue, as follows:

- 1) We understood and tested the Company's internal control procedures on the recognition of sales revenue and its effectiveness. Also, we evaluate the appropriateness of the accounting policies used by the management for the recognition of sales revenue.
- 2) We verify the authenticity of the recognition of sales revenue by examining the certificate of sales transactions, including purchase orders, shipping orders, export documents and collection information.
- 3) We review any occurrence of sales returns, discounts and allowances, and whether there are any abnormalities in the collections after the balance sheet date.

Other Matters

The CPAs have also audited the Parent Company Only Financial Statements of Taita Chemical Co., Ltd. for 2023 and 2022, on which they have issued an unqualified opinion about the audit report.

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

To ensure that the Consolidated Financial Statements do not contain material misstatements caused by fraud or errors, the management is responsible for preparing fair-presentation Consolidated Financial Statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, as well as the IFRS, IAS, law, and regulation reviews and their announcements recognized and announced by the Financial Supervisory Commission, and for preparing and maintaining necessary internal control procedures pertaining to the Consolidated Financial Statements.

In preparing the financial statements, the management is responsible for assessing the ability of the Taita Chemical Co., Ltd. and its subsidiaries to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Taita Chemical Co., Ltd. and its subsidiaries or to cease operations, or has no realistic alternatives but to do so.

The governing body including the audit committee is responsible for overseeing the financial reporting process of the Taita Chemical Co., Ltd. and its subsidiaries.

The CPA's Responsibilities for the Audit of the Consolidated Financial Statements

The objectives of the CPAs are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement of the consolidated financial statements when it exists. Misstatements can arise from fraud or error. If individual amounts or totals of misstatements can reasonably be expected to influence the economic decisions of users of the consolidated financial statements, they are considered material.

The CPAs exercise professional judgment and skepticism in accordance with auditing standards during the audit process. We have also completed the following jobs:

- 1) Identify and evaluate the risk of material misstatements due to fraud or error in the Consolidated Financial Statements; design and carry out appropriate

countermeasures for the evaluated risk; and obtain sufficient and appropriate evidence as the basis for their audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- 2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of Taita Chemical Co., Ltd. and its subsidiaries.
- 3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 4) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Taita Chemical Co., Ltd. to cease to continue as a going concern.
- 5) Evaluate the overall presentation, structure, and contents of the Consolidated Financial Statements (including relevant Notes), and whether the Consolidated Financial Statements fairly present relevant transactions and items.
- 6) Obtain sufficient and appropriate audit evidence of the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial report. The CPA is responsible for the guidance, supervision and implementation of the audit cases, and is responsible for forming the audit opinions of the Company.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with the governing body, the CPA determines the key audit matters of the Consolidated Financial Statements in 2023 of the Taita Chemical Co., Ltd. and its subsidiaries. The CPAs describe these matters in the audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, the CPAs determine that a matter should not be communicated in the audit report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche

CPA: Chiu Cheng-Chun

CPA: Huang Hsiu-Chun

Financial Supervisory Commission
Approval No.

Financial Supervisory
Commission (FSC) Certificate No.
0930160267

Securities and Futures Commission
Approval No.

Securities and Futures Commission
Certificate No. 0920123784

March 7, 2024

Notice to Readers:

The consolidated financial statement (Chinese version) of our company is audited by the CPA Chiu, Cheng-Chun and CPA Huang, Hsiu-Chun of Deloitte Taiwan. For the convenience of reading, the statement has been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail.

TAITA CHEMICAL CO., LTD. AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

Code	Assets	December 31, 2023		December 31, 2022	
		Amount	%	Amount	%
	Current Assets				
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 2,211,329	25	\$ 2,662,088	29
1110	Financial assets at fair value through profit or loss - current (Notes 4 and 7)	161,178	2	415,053	4
1140	Financial assets at amortized cost - current (Notes 4, 9 and 31)	13,000	-	5,000	-
1150	Notes receivable (Notes 4 and 10)	208,635	2	157,026	2
1170	Accounts receivable (Notes 4, 5 and 10)	1,596,090	18	1,485,302	16
1180	Accounts receivable from related parties (Notes 4, 5, 10 and 30)	4,200	-	-	-
1200	Other receivables (Notes 4 and 10)	105,403	1	87,821	1
1210	Other receivables from related parties (Notes 4, 10 and 30)	4,932	-	3,158	-
1220	Current tax assets (Notes 4 and 26)	1,571	-	9,538	-
130X	Inventories (Notes 4, 5 and 11)	1,101,680	13	951,018	10
1410	Prepayments and other current assets	<u>107,305</u>	<u>1</u>	<u>230,953</u>	<u>3</u>
11XX	Total current assets	<u>5,515,323</u>	<u>62</u>	<u>6,006,957</u>	<u>65</u>
	Non-current assets				
1517	Financial assets at fair value through other comprehensive incomes - non-current (Notes 4 and 8)	298,427	3	333,942	3
1550	Investments accounted for using equity method (Notes 4, 5 and 13)	622,689	7	643,709	7
1600	Property, plant and equipment (Notes 4, 14, 18, 30 and 31)	1,937,325	22	1,960,833	21
1755	Right-of-use assets (Notes 4, 15, 18, 30 and 31)	257,252	3	68,046	1
1760	Investment properties (Notes 4 and 16)	108,178	1	108,178	1
1780	Intangible assets (Notes 4 and 17)	498	-	2,279	-
1840	Deferred tax assets (Notes 4 and 26)	123,555	2	59,573	1
1990	Other non-current assets (Note 31)	<u>28,106</u>	<u>-</u>	<u>57,359</u>	<u>1</u>
15XX	Total non-current assets	<u>3,376,030</u>	<u>38</u>	<u>3,233,919</u>	<u>35</u>
1XXX	Total assets	<u>\$ 8,891,353</u>	<u>100</u>	<u>\$ 9,240,876</u>	<u>100</u>
	Liabilities and Equity				
	Current Liabilities				
2100	Short-term borrowings (Notes 14, 15, 18 and 31)	\$ 825,000	9	\$ 150,000	2
2170	Accounts payable (Note 19)	746,874	8	645,769	7
2180	Accounts payable from related parties (Notes 19 and 30)	49	-	657	-
2200	Other payables (Note 20)	276,188	3	297,925	3
2220	Other payables from related parties (Note 30)	4,439	-	5,094	-
2230	Current tax liabilities (Notes 4 and 26)	904	-	144,807	2
2280	Lease liabilities - current (Notes 4, 15 and 30)	4,665	-	4,614	-
2365	Refund liabilities - current (Note 21)	1,314	-	1,102	-
2399	Other current liabilities	<u>61,230</u>	<u>1</u>	<u>107,994</u>	<u>1</u>
21XX	Total current liabilities	<u>1,920,663</u>	<u>21</u>	<u>1,357,962</u>	<u>15</u>
	Non-current Liabilities				
2540	Long-term borrowings (Note 18)	-	-	300,000	3
2570	Deferred tax liabilities (Notes 4 and 26)	188,416	2	209,100	2
2580	Lease liabilities - non-current (Notes 4, 15 and 30)	29,094	1	33,760	-
2640	Net defined benefit liabilities - non-current (Notes 4 and 22)	100,640	1	127,716	2
2670	Other non-current liabilities	<u>4,549</u>	<u>-</u>	<u>6,124</u>	<u>-</u>
25XX	Total non-current liabilities	<u>322,699</u>	<u>4</u>	<u>676,700</u>	<u>7</u>
2XXX	Total liabilities	<u>2,243,362</u>	<u>25</u>	<u>2,034,662</u>	<u>22</u>
	Equity attributable to the owners of the Company (Notes 13, 22 and 23)				
	Share capital				
3110	Common stock	<u>3,975,868</u>	<u>45</u>	<u>3,975,868</u>	<u>43</u>
3200	Capital surplus	<u>3,201</u>	<u>-</u>	<u>1,099</u>	<u>-</u>
	Retained earnings				
3310	Legal reserve	502,038	6	457,804	5
3320	Special reserve	308,061	3	308,061	3
3350	Unappropriated earnings	<u>1,745,739</u>	<u>20</u>	<u>2,254,818</u>	<u>25</u>
3300	Total retained earnings	<u>2,555,838</u>	<u>29</u>	<u>3,020,683</u>	<u>33</u>
3400	Other equity	<u>113,084</u>	<u>1</u>	<u>208,564</u>	<u>2</u>
3XXX	Total equity	<u>6,647,991</u>	<u>75</u>	<u>7,206,214</u>	<u>78</u>
	Total liabilities and equity	<u>\$ 8,891,353</u>	<u>100</u>	<u>\$ 9,240,876</u>	<u>100</u>

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

Notice to Readers:

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TAITA CHEMICAL CO., LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

JANUARY 1 TO DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars, except Earnings per Share)

Code		2023		2022	
		Amount	%	Amount	%
4100	Net revenue (Notes 4, 21, 24 and 30)	\$ 15,205,462	100	\$ 18,083,799	100
5110	Cost of Goods Sold (Notes 11, 14, 15, 22, 25, and 30)	<u>14,769,885</u>	<u>97</u>	<u>16,323,674</u>	<u>90</u>
5900	Gross profit	<u>435,577</u>	<u>3</u>	<u>1,760,125</u>	<u>10</u>
	Operating expenses (Notes 10, 22, 25 and 30)				
6100	Selling and marketing expenses	681,200	5	1,332,808	8
6200	General and administrative expenses	204,786	1	184,317	1
6300	Research and development expenses	15,832	-	15,312	-
6450	Expected credit impairment (gain) loss	(<u>1,844</u>)	<u>-</u>	<u>2,231</u>	<u>-</u>
6000	Total operating expenses	<u>899,974</u>	<u>6</u>	<u>1,534,668</u>	<u>9</u>
6900	Profit (loss) from operation	(<u>464,397</u>)	(<u>3</u>)	<u>225,457</u>	<u>1</u>
	Non-operating income and expenses (Notes 7, 13, 16, 25 and 30)				
7100	Interest income	45,090	-	42,437	-
7010	Other income	91,195	1	90,742	1
7020	Other gains and losses	12,305	-	189,912	1
7060	Share of profit or loss of the associates for under the equity method	(10,355)	-	2,661	-
7510	Financial costs	(<u>19,850</u>)	<u>-</u>	(<u>6,835</u>)	<u>-</u>
7000	Total non-operating income and expenses	<u>118,385</u>	<u>1</u>	<u>318,917</u>	<u>2</u>

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Code		2023		2022	
		Amount	%	Amount	%
7900	Profit (loss) before income tax	(\$ 346,012)	(2)	\$ 544,374	3
7950	Income tax expense (benefit) (Notes 4 and 26)	(72,475)	-	132,296	1
8200	Net profit for the year	(273,537)	(2)	412,078	2
	Other comprehensive income(loss) (Notes 8, 13, 22, 23 and 26)				
8310	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans	9,544	-	31,140	-
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(35,516)	-	(142,789)	-
8320	Share of the other comprehensive profit or loss of associates accounted for under equity method - unrealized profit or loss on investments in equity instruments at fair value through other comprehensive profit or loss	(17,492)	-	(31,941)	-
8330	Share of the other comprehensive profit or loss of associates accounted for using the equity method - remeasurement of defined benefit plans	(150)	-	5,351	-
8349	Income tax related to components that will not be reclassified to profit or loss	(1,908)	-	(6,228)	-
		(45,522)	-	(144,467)	-

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Code		2023		2022	
		Amount	%	Amount	%
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations	(\$ 50,285)	-	\$ 39,679	-
8371	Share of the other comprehensive loss of associates accounted for using the equity method - exchange differences on translating the financial statements of foreign operations	(2,601)	-	2,511	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	10,413 (42,473)	- -	(8,199) 33,991	- -
8300	Other comprehensive incomes (losses) for the year (net of income tax)	(87,995)	-	(110,476)	-
8500	Total comprehensive income for the year	(\$ 361,532)	(2)	\$ 301,602	2
	Earnings (losses) per share (Note 27)				
9710	Basic	(\$ 0.69)		\$ 1.04	
9810	Diluted	(\$ 0.69)		\$ 1.04	

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

Notice to Readers:

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TAITA CHEMICAL CO., LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

JANUARY 1 TO DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

		Equity attributable to the owners of the Company (Notes 13, 22 and 23)										Other equity		
		Share capital		Capital surplus			Retained earnings				Exchange differences on translating the financial statements of foreign operations	Unrealized gain (loss) on financial assets at fair value through other comprehensive income	Total	Total equity
Code		Shares (In Thousands)	Amount	Long-term equity investment	Other capital surplus	Total	Legal reserve	Special reserve	Unappropriated earnings	Total				
A1	Balance at January 1, 2022	378,654	\$ 3,786,541	\$ 553	\$ 439	\$ 992	\$ 273,706	\$ 308,061	\$ 2,943,210	\$ 3,524,977	(\$ 144,532)	\$ 493,835	\$ 349,303	\$ 7,661,813
	Appropriation of 2021 earnings													
B1	Legal reserve	-	-	-	-	-	184,098	-	(184,098)	-	-	-	-	-
B5	Cash dividends distributed by the Company	-	-	-	-	-	-	-	(757,308)	(757,308)	-	-	-	(757,308)
B9	Share dividends distributed by the Company	18,933	189,327	-	-	-	-	-	(189,327)	(189,327)	-	-	-	-
T1	Changes in capital surplus	-	-	107	-	107	-	-	-	-	-	-	-	107
D1	Net profit for the year ended December 31, 2022	-	-	-	-	-	-	-	412,078	412,078	-	-	-	412,078
D3	Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	-	-	-	30,263	30,263	33,991	(174,730)	(140,739)	(110,476)
D5	Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	-	-	442,341	442,341	33,991	(174,730)	(140,739)	301,602
Z1	Balance at December 31, 2022	397,587	3,975,868	660	439	1,099	457,804	308,061	2,254,818	3,020,683	(110,541)	319,105	208,564	7,206,214
	Appropriation of 2022 earnings													
B1	Legal reserve	-	-	-	-	-	44,234	-	(44,234)	-	-	-	-	-
B5	Cash dividends distributed by the Company	-	-	-	-	-	-	-	(198,793)	(198,793)	-	-	-	(198,793)
T1	Changes in capital surplus	-	-	2,102	-	2,102	-	-	-	-	-	-	-	2,102
D1	Net loss for 2023	-	-	-	-	-	-	-	(273,537)	(273,537)	-	-	-	(273,537)
D3	Other comprehensive incomes after tax for the year 2023	-	-	-	-	-	-	-	7,485	7,485	(42,473)	(53,007)	(95,480)	(87,995)
D5	Total comprehensive income for the year 2023	-	-	-	-	-	-	-	(266,052)	(266,052)	(42,473)	(53,007)	(95,480)	(361,532)
Z1	Balance at December 31, 2023	397,587	\$ 3,975,868	\$ 2,762	\$ 439	\$ 3,201	\$ 502,038	\$ 308,061	\$ 1,745,739	\$ 2,555,838	(\$ 153,014)	\$ 266,098	\$ 113,084	\$ 6,647,991

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

Notice to Readers:

The financial statement (Chinese version) of our company is audited by the CPA Chiu, Cheng-Chun and CPA Huang, Hsiu-Chun of Deloitte Taiwan. For the convenience of reading, the statement has been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail.

TAITA CHEMICAL CO., LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

JANUARY 1 TO DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

Code		2023	2022
	Cash flows from operating activities		
A10000	Profit (loss) before income tax	(\$ 346,012)	\$ 544,374
A20010	Income, Expense, and Loss Items		
A20100	Depreciation expenses	213,626	206,813
A20200	Amortization expenses	1,781	1,815
A20300	Expected credit impairment loss (gain on reversal)	(1,844)	2,231
A20400	Net loss (gain) on financial instruments measured at fair value through profit or loss	(1,115)	18,547
A20900	Financial costs	19,850	6,835
A21200	Interest income	(45,090)	(42,437)
A21300	Dividend income	(11,884)	(36,705)
A22300	Share of Profit or Loss from Equity Method Investees	10,355	(2,661)
A22500	Loss (gain) on disposal and retirement of property, plant and equipment	(561)	(2,391)
A23700	(Reversal of) write-down of inventory valuation and obsolescence	(4,762)	32,436
A29900	Recognition of refund liabilities	8,123	7,918
A30000	Changes in operating assets and liabilities		
A31115	Financial assets at fair value through profit or loss	254,990	262,375
A31130	Notes receivable	(54,558)	102,949
A31150	Accounts receivable	(127,959)	725,160
A31160	Accounts receivable from related parties	(4,200)	-
A31180	Other receivables	(3,560)	26,576
A31190	Other receivables from related parties	(1,773)	383
A31200	Inventories	(151,119)	276,430
A31230	Prepayments and other current assets	124,691	(78,244)
A32150	Accounts payable	101,858	(384,886)
A32160	Accounts payable from related parties	(608)	629
A32180	Other payables	(29,737)	(150,759)
A32190	Other payables from related parties	(655)	(1,701)
A32230	Other current liabilities	(46,443)	42,977
A32240	Net Defined Benefit Liabilities	(17,532)	(27,563)
A33000	Net cash flows from operating activities	(114,138)	1,531,101

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Code		2023	2022
A33100	Interest received	\$ 30,474	\$ 40,993
A33300	Interest paid	(19,388)	(6,766)
A33500	Income tax paid	(140,107)	(462,438)
AAAA	Net cash flows from operating activities	(243,159)	1,102,890
	Cash flows from investing activities		
B00040	Purchase of financial assets at amortized cost	(10,000)	(3,000)
B00050	Proceeds from disposal of available-for-sale financial assets	2,000	1,822
B01800	Acquisition of associate	(10,931)	-
B02700	Payments for property, plant and equipment	(182,084)	(141,981)
B02800	Proceeds from disposal of property, plant and equipment	960	9,921
B03700	Increase in refundable deposits	(24,629)	(34,313)
B03800	Decrease in refundable deposits	53,548	1,705
B05350	Acquisition of right-to-use assets	(200,271)	-
B07600	Dividends received	15,339	65,495
BBBB	Net cash used in investing activities	(356,068)	(100,351)
	Cash flows from financing activities		
C00100	Increase in short-term borrowings	405,000	-
C00200	Decrease in short-term borrowings	-	(200,000)
C01600	Proceeds from long-term borrowings	270,000	750,000
C01700	Repayments of long-term borrowings	(300,000)	(750,000)
C04020	Repayments of the principal portion of lease liabilities	(4,615)	(4,564)
C04300	Increase in other non-current liabilities	(1,518)	180
C04500	Distribution of cash dividends	(198,793)	(757,308)
C04400	Refund of unclaimed overdue cash dividends	3,049	3,134
CCCC	Cash used in financing activities	173,123	(958,558)
DDDD	Effect of Exchange Rate Changes on Cash and Cash Equivalents	(24,655)	19,824
EEEE	Cash and cash equivalents (decrease) increase for the current year	(450,759)	63,805
E00100	Cash and cash equivalents at the beginning of period	2,662,088	2,598,283
E00200	Cash and cash equivalents at the end of period	\$2,211,329	\$2,662,088

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

Notice to Readers:

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Independent Auditors' Report

To the Board of Directors and Shareholders of Taita Chemical Co., Ltd.:

Audit Opinion

We have audited the accompanying financial statements of Taita Chemical Co., Ltd. (the “Company”), which comprise the balance sheets as from January 1 to December 31, 2023 and 2022 and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Taita Chemical Co., Ltd. from January 1 to December 31, 2023 and 2022 and its financial performance and its cashflows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Taita Chemical Co., Ltd in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance to Taita Chemical Co., Ltd. in our audit of the financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the Company's parent company only financial statements for the year ended December 31, 2023 are stated as follows:

Authenticity of the Recognition of Sales Revenue from Customers of Specific Products

Due to changes in market supply and demand, the sales revenue of Taita Chemical Industries Co., Ltd. for fiscal year 2023 has declined compared to 2022. However, there has been a growth trend in sales in specific regions compared to 2022. It is crucial to determine whether the sales revenue in these specific regions truly satisfies contractual obligations, as it will have a significant impact on the individual financial report. Therefore, it is listed as a key audit matter for this fiscal year.

For relevant accounting policies and disclosures of the recognition of sales revenue, please refer to Notes 4 and 23 of the financial statements.

We performed the corresponding audit procedures, for the authenticity of the recognition of sales revenue, as follows:

1. We understood and tested the Company's internal control procedures on the recognition of sales revenue and its effectiveness. Also, we evaluate the appropriateness of the accounting policies used by the management for the recognition of sales revenue.
2. We verify the authenticity of the recognition of sales revenue by examining the certificate of sales transactions, including purchase orders, shipping orders, export documents and collection information.
3. We review any occurrence of sales returns, discounts and allowances, and whether there are any abnormalities in the collections after the balance sheet date.

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

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

In preparing the individual financial statements, the responsibility of the management also includes evaluating the ability of Taita Chemical Industrial Co., Ltd. to continue as a going concern, disclosing related matters, and adopting the going concern basis of accounting, unless the management intends to liquidate Taita Chemical Industrial Co., Ltd. or cease operations, or unless there are no other practical alternative plans other than liquidation or cessation of operations.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement of the parent company only financial statements when it exists. Misstatements can arise from fraud or error. If individual amounts or aggregate totals of false statements are reasonably expected to affect the economic decisions made by users of the individual financial statements, they are considered material.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We have also completed the following jobs:

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

purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determined those matters that were of most significance of Taita Chemical Co., Ltd. in the audit of the financial statements for the year ended December 31, 2023 and are therefore key audit matters. The CPA describes these matters in our audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, the CPA determines that a matter should not be communicated in the audit report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche

CPA: Chiu Cheng-Chun

CPA: Huang Hsiu-Chun

Financial Supervisory Commission
Approval No.

Financial Supervisory
Commission (FSC) Certificate No.
0930160267

Securities and Futures Commission
Approval No.

Securities and Futures Commission
Certificate No. 0920123784

March 7, 2024

Notice to Readers:

The financial statement (Chinese version) of our company is audited by the CPA Huang, Hsiu-Chun and CPA Chiu, Cheng-Chun of Deloitte Taiwan. For the convenience of reading, the statement has been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail.

TAITA CHEMICAL CO., LTD.

BALANCE SHEETS DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

Code	Assets	December 31, 2023		December 31, 2022	
		Amount	%	Amount	%
	Current Assets				
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 436,896	5	\$ 477,979	5
1110	Financial assets at fair value through profit or loss - current (Notes 4 and 7)	161,178	2	415,053	5
1136	Financial assets at amortized cost - current (Notes 4, 9 and 30)	13,000	-	5,000	-
1150	Notes receivable (Notes 4 and 10)	26,411	1	45,071	-
1170	Accounts receivable (Notes 4, 5 and 10)	983,425	11	1,095,975	12
1180	Accounts receivable from related parties (Notes 4, 5, 10 and 29)	4,200	-	-	-
1200	Other receivables (Notes 4 and 10)	70,990	1	67,612	1
1210	Other receivables from related parties (Notes 4, 10 and 29)	285,042	3	285,580	3
1220	Current tax assets (Notes 4 and 25)	767	-	-	-
130X	Inventories (Notes 4, 5 and 11)	899,246	10	733,589	8
1410	Prepayments and other current assets	87,930	1	80,783	1
11XX	Total current assets	<u>2,969,085</u>	<u>34</u>	<u>3,206,642</u>	<u>35</u>
	Non-current Assets				
1517	Financial assets at fair value through other comprehensive incomes - non-current (Notes 4 and 8)	298,427	4	333,936	4
1550	Investments accounted for under the equity method (Notes 4, 5 and 12)	3,598,708	41	3,720,661	41
1600	Property, plant, and equipment (Notes 4, 13 and 29)	1,643,175	19	1,648,052	18
1755	Right-of-use assets (Notes 4, 14 and 29)	32,336	-	36,955	-
1760	Investment properties, net (Notes 4 and 15)	108,178	1	108,178	1
1780	Intangible assets (Notes 4 and 16)	498	-	2,279	-
1840	Deferred income tax assets (Notes 4 and 25)	102,440	1	50,908	1
1900	Other non-current assets (Note 30)	25,270	-	23,829	-
15XX	Total non-current assets	<u>5,809,032</u>	<u>66</u>	<u>5,924,798</u>	<u>65</u>
1XXX	Total assets	<u>\$ 8,778,117</u>	<u>100</u>	<u>\$ 9,131,440</u>	<u>100</u>
	Liabilities and Equity				
	Current Liabilities				
2100	Short-term borrowings (Note 17)	\$ 825,000	9	\$ 150,000	2
2170	Accounts payable (Note 18)	690,429	8	587,893	6
2180	Accounts payable to related parties (Notes 18 and 29)	49	-	657	-
2200	Other payables (Note 19)	237,103	3	260,086	3
2220	Other payables from related parties (Note 29)	4,439	-	5,094	-
2230	Current tax liabilities (Notes 4 and 25)	904	-	142,379	2
2280	Lease liabilities - current (Notes 4, 14 and 29)	4,665	-	4,614	-
2365	Refund liabilities - current (Note 20)	1,314	-	1,102	-
2399	Other current liabilities	46,727	-	100,841	1
21XX	Total current liabilities	<u>1,810,630</u>	<u>20</u>	<u>1,252,666</u>	<u>14</u>
	Non-current Liabilities				
2540	Long-term borrowings (Note 17)	-	-	300,000	3
2570	Deferred income tax liabilities (Notes 4 and 25)	188,416	2	209,100	2
2580	Lease liabilities - non-current (Notes 4, 14 and 29)	29,094	1	33,760	-
2640	Net defined benefit liabilities - non-current (Notes 4 and 21)	100,640	1	127,716	2
2670	Other non-current liabilities	1,346	-	1,984	-
25XX	Total non-current liabilities	<u>319,496</u>	<u>4</u>	<u>672,560</u>	<u>7</u>
2XXX	Total liabilities	<u>2,130,126</u>	<u>24</u>	<u>1,925,226</u>	<u>21</u>
	Equity (Notes 12, 21 and 22)				
	Share capital				
3110	Common stock	3,975,868	46	3,975,868	44
3200	Capital surplus	3,201	-	1,099	-
	Retained earnings				
3310	Legal reserve	502,038	6	457,804	5
3320	Special reserve	308,061	3	308,061	3
3350	Unappropriated earnings	1,745,739	20	2,254,818	25
3300	Total retained earnings	<u>2,555,838</u>	<u>29</u>	<u>3,020,683</u>	<u>33</u>
3400	Other equity	113,084	1	208,564	2
3XXX	Total equity	<u>6,647,991</u>	<u>76</u>	<u>7,206,214</u>	<u>79</u>
	Total liabilities and equity	<u>\$ 8,778,117</u>	<u>100</u>	<u>\$ 9,131,440</u>	<u>100</u>

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TAITA CHEMICAL CO., LTD.

STATEMENTS OF COMPREHENSIVE INCOME

JANUARY 1 TO DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars, except Earnings (Losses) per Share)

Code		2023		2022	
		Amount	%	Amount	%
4100	Net revenue (Notes 4, 20, 23 and 29)	\$ 10,576,796	100	\$ 12,870,472	100
5110	Cost of goods sold (Notes 11, 13, 14, 21, 24 and 29)	<u>10,121,466</u>	<u>96</u>	<u>11,123,548</u>	<u>87</u>
5900	Gross profit	<u>455,330</u>	<u>4</u>	<u>1,746,924</u>	<u>13</u>
5920	Realized losses from sales with subsidiaries	<u>-</u>	<u>-</u>	(<u>2,181</u>)	<u>-</u>
	Operating expenses (Notes 10, 13, 14, 21, 24 and 29)				
6100	Selling and marketing expenses	643,191	6	1,295,984	10
6200	General and administrative expenses	136,201	1	128,765	1
6300	Research and development expenses	15,832	-	15,312	-
6450	Gain on reversal of expected credit loss	(<u>218</u>)	<u>-</u>	(<u>1</u>)	<u>-</u>
6000	Total operating expenses	<u>795,006</u>	<u>7</u>	<u>1,440,060</u>	<u>11</u>
6900	Profit (loss) from operations	(<u>339,676</u>)	(<u>3</u>)	<u>304,683</u>	<u>2</u>
	Non-operating income and expenses (Notes 7, 12, 15, 24 and 29)				
7100	Interest income	7,602	-	3,800	-
7010	Other income	56,305	1	77,178	1
7020	Other gains and losses	17,605	-	202,146	1
7070	Shares of profit (loss) in subsidiaries and/or associates accounted for under the equity method	(<u>60,996</u>)	(<u>1</u>)	(<u>34,101</u>)	<u>-</u>
7510	Financial costs	(<u>19,850</u>)	<u>-</u>	(<u>6,835</u>)	<u>-</u>
7000	Total non-operating income and expenses	<u>666</u>	<u>-</u>	<u>242,188</u>	<u>2</u>

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Code		2023		2022	
		Amount	%	Amount	%
7900	Profit (loss) before income tax	(\$ 339,010)	(3)	\$ 546,871	4
7950	Income tax expense (benefit) (Notes 4 and 25)	(65,473)	(1)	134,793	1
8200	Net profit for the year	(273,537)	(2)	412,078	3
	Other comprehensive incomes (Notes 8, 12, 21, 22 and 25)				
8310	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans	9,544	-	31,140	-
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(35,509)	(1)	(142,789)	(1)
8320	Shares of other comprehensive incomes (losses) in associates accounted for under the equity method - unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive incomes	(17,499)	-	(31,941)	-
8330	Shares of other comprehensive incomes (losses) in associates accounted for under the equity method - remeasurement of defined benefit plans	(150)	-	5,351	-
8349	Income tax related to components that will not be reclassified to profit or loss	(1,908)	-	(6,228)	-
		(45,522)	(1)	(144,467)	(1)

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Code		2023		2022	
		Amount	%	Amount	%
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations	(\$ 52,067)	-	\$ 40,992	-
8371	Share of the other comprehensive loss of associates accounted for using the equity method - exchange differences on translating the financial statements of foreign operations	(819)	-	1,198	-
8390	Income tax relating to items that may be reclassified subsequently to profit or loss	<u>10,413</u> (<u>42,473</u>)	<u>-</u> <u>-</u>	(<u>8,199</u>) <u>33,991</u>	<u>-</u> <u>-</u>
8300	Other comprehensive incomes(loss) for the year (net of income tax)	(<u>87,995</u>)	(<u>1</u>)	(<u>110,476</u>)	(<u>1</u>)
8500	Total comprehensive income for the year	(<u>\$ 361,532</u>)	(<u>3</u>)	<u>\$ 301,602</u>	<u>2</u>
	Earnings (losses) per share (Note 26)				
9710	Basic	(<u>\$ 0.69</u>)		<u>\$ 1.04</u>	
9810	Diluted	(<u>\$ 0.69</u>)		<u>\$ 1.04</u>	

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TAITA CHEMICAL CO., LTD.

STATEMENTS OF CHANGES IN EQUITY JANUARY 1 TO DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

											Other equity (Notes 12 and 22)			
		Share capital (Note 22)		Capital surplus (Notes 12 and 22)			Retained earnings (Notes 21 and 22)				Overseas Operating Organization Financial Statement Conversion Exchange Differences	Fair Value of Financial Assets Measured at Fair Value through Other Comprehensive Income Unrealized gain (loss)	Total	Total equity
Code		Shares (In Thousands)	Amount	Long-term equity investment	Other capital surplus	Total	Legal reserve	Special reserve	Unappropriated earnings	Total				
A1	Balance at January 1, 2022	378,654	\$ 3,786,541	\$ 553	\$ 439	\$ 992	\$ 273,706	\$ 308,061	\$ 2,943,210	\$ 3,524,977	(\$ 144,532)	\$ 493,835	\$ 349,303	\$ 7,661,813
	Appropriation of 2021 earnings													
B1	Legal reserve	-	-	-	-	-	184,098	-	(184,098)	-	-	-	-	-
B5	Cash dividends distributed by the Company	-	-	-	-	-	-	-	(757,308)	(757,308)	-	-	-	(757,308)
B9	Share dividends distributed by the Company	18,933	189,327	-	-	-	-	-	(189,327)	(189,327)	-	-	-	-
T1	Changes in capital surplus	-	-	107	-	107	-	-	-	-	-	-	-	107
D1	Net profit for the year ended December 31, 2022	-	-	-	-	-	-	-	412,078	412,078	-	-	-	412,078
D3	Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	-	-	-	30,263	30,263	33,991	(174,730)	(140,739)	(110,476)
D5	Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	-	-	442,341	442,341	33,991	(174,730)	(140,739)	301,602
Z1	Balance as of December 31, 2022	397,587	3,975,868	660	439	1,099	457,804	308,061	2,254,818	3,020,683	(110,541)	319,105	208,564	7,206,214
	Appropriation of 2022 earnings													
B1	Legal reserve	-	-	-	-	-	44,234	-	(44,234)	-	-	-	-	-
B5	Cash dividends distributed by the Company	-	-	-	-	-	-	-	(198,793)	(198,793)	-	-	-	(198,793)
T1	Changes in capital surplus	-	-	2,102	-	2,102	-	-	-	-	-	-	-	2,102
D1	Net Loss for 2023	-	-	-	-	-	-	-	(273,537)	(273,537)	-	-	-	(273,537)
D3	Other comprehensive incomes after tax for the year 2023	-	-	-	-	-	-	-	7,485	7,485	(42,473)	(53,007)	(95,480)	(87,995)
D5	Total comprehensive income for the year 2023	-	-	-	-	-	-	-	(266,052)	(266,052)	(42,473)	(53,007)	(95,480)	(361,532)
Z1	Balance as of December 31, 2023	397,587	\$ 3,975,868	\$ 2,762	\$ 439	\$ 3,201	\$ 502,038	\$ 308,061	\$ 1,745,739	\$ 2,555,838	(\$ 153,014)	\$ 266,098	\$ 113,084	\$ 6,647,991

The accompanying notes are an integral part of the Parent Company Only financial statements.

Notice to Readers:

The financial statement (Chinese version) of our company is audited by the CPA Huang, Hsiu-Chun and CPA Chiu, Cheng-Chun of Deloitte Taiwan. For the convenience of reading, the statement has been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail.

TAITA CHEMICAL CO., LTD.

STATEMENTS OF CASH FLOW JANUARY 1 TO DECEMBER 31, 2023 AND 2022

		(In Thousands of New Taiwan Dollars)	
Code		2023	2022
	Cash flows from operating activities		
A10000	Profit before income tax	(\$ 339,010)	\$ 546,871
	Income, expenses, and losses items		
A20100	Depreciation expenses	170,566	171,282
A20200	Amortization expenses	1,781	1,815
A20300	Gain on reversal of expected credit loss	(218)	(1)
A20400	Net loss (gain) on financial assets and liabilities measured at fair value through profit or loss	(1,115)	18,547
A20900	Financial costs	19,850	6,835
A21200	Interest income	(7,602)	(3,800)
A21300	Dividend income	(11,884)	(36,705)
A22300	Shares of profit (loss) in subsidiaries and/or associates accounted for under the equity method	60,996	34,101
A22500	Loss (Gain) on Disposal and Retirement of Property, factory and Equipment	(960)	(3,333)
A23700	(Reversal of) write-down of inventory valuation and obsolescence	(1,830)	27,051
A24000	Realized losses from sales with subsidiaries	-	2,181
A29900	Recognition of refund liabilities	8,123	7,918
A30000	Changes in operating assets and liabilities		
A31115	Financial assets at fair value through profit or loss	254,990	262,375
A31130	Notes receivable	18,660	(342)
A31150	Accounts receivable	104,857	684,297
A31160	Accounts receivable from related parties	(4,200)	542
A31180	Other receivables	(3,560)	26,577
A31190	Other receivables from related parties	538	(26,309)
A31200	Inventories	(163,827)	252,856
A31230	Prepayments and other current assets	(7,147)	(12,366)
A32150	Accounts payable	102,536	(359,336)
A32160	Accounts payable from related parties	(608)	629
A32180	Other payables	(31,460)	(145,817)
A32190	Other payables from related parties	(655)	(1,701)

(Continued on the next page)

(Continued from the previous page)

Code		2023	2022
A32230	Other current liabilities	(\$ 54,114)	\$ 46,509
A32240	Net defined benefit liabilities	(17,532)	(27,563)
A33000	Cash generated from operations	97,175	1,473,113
A33100	Interest received	7,784	3,628
A33300	Interest paid	(19,388)	(6,766)
A33500	Income tax paid	(140,480)	(438,622)
AAAA	Net cash flows from operating activities	(54,909)	1,031,353
Cash flows from investing activities			
B00040	Purchase of financial assets at amortized cost	(10,000)	(3,000)
B00050	Disposal of financial assets measured at amortized cost	2,000	1,000
B01800	Acquisition of long-term equity investment using the equity method	(10,931)	-
B02700	Acquisition of property, plant and equipment	(156,104)	(95,064)
B02800	Disposal of property, plant, and equipment	960	9,921
B03700	Increase in guarantee deposits	(18,188)	(748)
B03800	Decrease in guarantee deposits	16,747	1,705
B07600	Dividends received	15,339	65,495
BBBB	Net cash used in investing activities	(160,177)	(20,691)
Cash flows from financing activities			
C00100	Increase in short-term borrowings	405,000	-
C00200	Decrease in short-term borrowings	-	(200,000)
C01600	Proceeds from long-term borrowings	270,000	750,000
C01700	Repayments of long-term borrowings	(300,000)	(750,000)
C04020	Repayments of the principal portion of lease liabilities	(4,615)	(4,564)
C04300	Increase in other non-current liabilities	(638)	180
C04500	Distribution of Cash dividends	(198,793)	(757,308)
C04400	Refund of unclaimed overdue cash dividends	3,049	3,134
CCCC	Cash used in financing activities	174,003	(958,558)
EEEE	Cash and cash equivalents (decrease) increase for the current year	(41,083)	52,104
E00100	Cash and cash equivalents at the beginning of period	477,979	425,875
E00200	Cash and cash equivalents at the end of period	\$ 436,896	\$ 477,979

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Matters for Ratification :

Proposal 2

Proposed by the Board

To ratify 2023 earnings distribution.

Description: 1. In 2023, the loss after tax was NT\$273,537,489. Beginning unappropriated earnings and Accumulated deficit, Accumulated distributable earnings at the end of 2023 is NT\$1,745,739,002. By the end of 2023, the accumulated distributable earnings is NT\$1,745,739,002 and will be distributed cash dividend NT\$119,276,054, i.e. NT\$0.3 per share. The unappropriated earnings after distribution will be NT\$1,626,462,948.

2. Please refer to p.35, “Profit Distribution Table”, for details.

3. The cash dividends allocated to each shareholder shall be rounded down to a whole dollar amount of New Taiwan Dollars, and the total amount of allocation will be subject to the actual amount allocated.

4. Please authorize the Chairman to set a target date for the distribution of cash dividends after the adoption of this proposal.

Resolution :

Taita Chemical Company, Limited

2023 Profit Distribution Table

	expressed in NTD
Net loss before tax of 2023	(339,010,349)
Add: Tax expense	65,472,860
Net loss of 2023	(273,537,489)
Add: Retained earnings adjusted for the defined benefit plan after re-measurement	7,635,561
Less: Retained earnings adjusted for investments made under the equity method	(149,708)
Accumulated deficit of 2023	(266,051,636)
Add: Beginning unappropriated earnings	2,011,790,638
Accumulated distributable earnings at the end of 2023	1,745,739,002
Distributable items:	
(total number of issued shares:397,586,848)	
Cash : NT\$0.3 per share	119,276,054
Total amount of distribution	119,276,054
Unappropriated earnings at the end of 2023 transferred to the next year	1,626,462,948

Chairman : Wu, Yih-Guei

President : Wu, Pei-Chi

Chief Accounting Office : Wu, Chia-Ling

III. Matters for Election

Proposed by the Board

To elect nine directors.

Description : 1.The term of all directors of the current board will expire on July 25, 2024, please elect another nine directors (including four independent directors) in accordance with the Articles of Incorporation.

2.The candidate nomination system shall apply. AGM shall elect directors from the candidate list. Please refer to p.38-40 of the names, education, and experience of candidates.

3.All new directors will take up their office immediately after the election for a term of three years, i.e. from May 31, 2024 to May 30, 2027.

Results :

Taita Chemical Company, Limited

List of Candidates for Directorial Election (including independent directors)

No.	A/C No.	Stake	Name	Citizen ID No.	Major Education/Experience	Major Current Position	Remarks
1	84849	146,263,260	Union Polymer International Investment Corporation : Wu, Yi-Gui	—	College graduated Chairman: USI Corporation 、Asia Polymer Corporation 、China General Plastics Corp. 、Taita Chemical Co., Ltd. 、Acme Electronics Corporation 、USI Optronics Corporation 、Swanson Plastics Corporation Executive Director, CTCI Corporation Executive Supervisors, Chinese National Federation of Industries	Chairman: USI Corporation 、Asia Polymer Corporation 、China General Plastics Corp. 、Taita Chemical Co., Ltd. 、Acme Electronics Corporation Director, CTCI Corporation Executive Director, Chinese National Federation of Industries	Director Candidate
2	103980	1,415,368	USIFE Investment Co., Ltd. : Ma, Yi-kung	—	Rutgers-The State University Member of Control Yuan, 1999-2005 & 2008-2014. Member of EPA's Environmental Impact Assessment Comm. 1982-1999 Chair-professor, Chung Hua University	Director, USI Education Foundation	Director Candidate
3	84849	146,263,260	Union Polymer International Investment Corporation : Wu, Pei-Chi	—	Tunghai University Dow Chemical, General Manager, Asia Pacific Thermosets. Dow Chemical, Sales Director, Greater China Basic Plastics. ESSO Taiwan, Sales Engineer	Director & President: USI Corporation 、Taita Chemical Co., Ltd. 、Asia Polymer Corporation	Director Candidate

No.	A/C No.	Stake	Name	Citizen ID No.	Major Education/Experience	Major Current Position	Remarks
4	103980	1,415,368	USIFE Investment Co., Ltd. : Ying, Pao-Lo	—	MBA, Graduate School of Business, University of Chicago President, Taita Chemical Co., Ltd.	Director, Taita Chemical Co., Ltd.	Director Candidate
5	84850	8,854,995	Taiwan Union International Investment Corporation : Ke, Yi-Shao	—	Master of Chemistry, National Tsing Hua University Executive Master of Business Administration, NSYSU Vice President and Spokesperson of CPC Corporation, Taiwan.	President, UPC Technology Corporation Chairman, Wei Chen Investment Corporation Chairman, Taiwan Union International Investment Corporation Director, Union Venture Capital Corp. Director, Taita Chemical Co., Ltd. Director, Asia Polymer Corporation.	Director Candidate
6	—	—	Chen, Tyan-Wen	A12288XXXX	University of Southern California (MBA) Manager, Chase Manhattan Bank Vice President, Merrill Lynch Capital Markets Group Founder & Chairman, The Capital Group Director, Cathay Financial Holding Co., Ltd.	Chairman, Chia Shih Construction Co., Ltd. Independent Director, Taiwan Secom Company Ltd. Independent Director, Yeong Guan Energy Technology Group Company Limited Independent Director, Taita Chemical Co., Ltd.	Independent Director Candidate
7	—	—	Way, Yung-Do	A10214XXXX	MBA, The University of Georgia CEO & Managing Partner, Deloitte Touche Taiwan	Chairman, YCSY Co., Ltd.	Independent Director Candidate

No.	A/C No.	Stake	Name	Citizen ID No.	Major Education/Experience	Major Current Position	Remarks
					Chairman, United Way of Taiwan		
8	—	—	Lee, Kuo-Shiang	A11035XXXX	The University of Chicago MBA National Taiwan University B.S of E.E. Inter, Shiseido Co., Ltd. Chairman, 2nd Taipei Cosmetics Industry Association Chairman, YPO Taipei Chapter Director-General, 11th~12th Taiwan Cosmetics Industry Association Director of Supervisor, 6th~11th Chinese National Federation of Industries	Chairman, Taiwan Shiseido Co., Ltd. Chairman, Flelis International Inc. Chairman, Hwa-Tsu Cosmetics Company Supervisor, Chinese National Federation of Industries Independent Director, Taita Chemical Co., Ltd.	Independent Director Candidate
9	—	—	Chen, Piao-Chun	A10212XXXX	National Cheng Kung University Department of Electrical Engineering General Manager of Walsin Lihwa Corporation President of Schmidt Scientific Taiwan Ltd. President of Tailyn Communication Co., Ltd. President of USI Electronics Group	Chairman, Elitech Corp Independent director, Acme Electronics Corporation	Independent Director Candidate

The reasons for nominating candidate who has served three terms as an independent director :

Mr. Chen, Tyan-Wen has rich practical experience and expertise in the fields of finance, corporate management and ESG. It is extremely helpful to TTC with respect to the financial plan, related risk control and energy saving and carbon reduction. Although he has been re-elected as an independent director of TTC Corporation for three terms, he usually makes constructive suggestions at the functional committee and the board of directors meetings based on his independent professional judgments. It is recommended to nominate him as an independent director candidate.

IV.Matters for Discussion

Proposed by the Board

To approve the permission of directors for competitive actions

Description : 1. While some new directors may engage in or operate a business similar to or within the scope of the Company's business, subject to no harm to the interests of the Company, it is proposed to allow such acts in accordance with Article 209 of the Company Act.

2.Please refer to p.42-45 of the competitive actions in which new directors engage.

3.Please vote.

Resolution :

Taita Chemical Company, Limited

Directors' Engagement in Competitive Business Table

On the day of being elected, some directors of this Company engage in the following business items that are within the scope of business of this Company:

Union Polymer International Investment Corporation

ASIA Polymer Corporation	China General Plastics Corporation
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USIFE Investment Co., Ltd.

ASIA Polymer Corporation	Taiwan United Venture Management Corporation
China General Plastics Corporation	
Swanson Technologies Corporation	

Taiwan Union International Investment Corporation

ASIA Polymer Corporation

Wu, Yi-Gui (Representative of Union Polymer International Investment Corporation)

A.S. Holdings (UK) Limited	Director	Swanlake Traders Ltd.	Director
Acme Advanced Materials Sdn. Bhd.	Director	Swanson International Limited	Director
Acme Components (Malaysia) Sdn. Bhd.	Director	Swanson Plastics (India) Private Limited	Director
Acme Electronics (Cayman) Corp.	Chairman	Swanson Plastics (Malaysia) Sdn. Bhd.	Director
Acme Ferrite Products Sdn. Bhd.	Director	Swanson Plastics (Singapore) Pte. Ltd.	Director
APC (BVI) Holding Co., Ltd.	Director	USI International Corporation	Director
CGPC (BVI) Holding Co., Ltd.	Director	Chinese National Federation of Industries	Executive Director
CGPC America Corporation	Director	CTCI Corporation	Director
Dynamic Ever Investments Ltd.	Director President	USI (Hong Kong) Company Limited	Director
Ever Conquest Global Limited	Director	USI Optronics Corporation	Chairman
Ever Victory Global Ltd.	Director President	USIFE Investment Co., Ltd.	Chairman
Forever Young Company Ltd.	Director	USI Management Consulting Corp.	Chairman President
Golden Amber Enterprises Ltd.	Director		
PT. Swanson Plastics Indonesia	Director		

Taiwan VCM Corporation	Director	Swanson Plastics (Tianjin) Co., Ltd.	Director
USI CORPORATION	Chairman	Swanson Plastics (Kunshan) Co., Ltd	Director
APC Investment Corporation	Chairman	Swanson Plastics Corporation	Chairman
ASIA Polymer Corporation	Chairman	Xiamen USI Trading Co.,Ltd.	Director
Chong Loong Trading Co. Ltd.	Chairman	Emerald Investment Corporation	Director
USI Green Energy Corporation	Director	KHL Venture Capital Co., Ltd.	Director
USI Education Foundation	Chairman	Zhangzhou USI Trading Co., LTD.	Director
China General Plastics Corp.	Chairman	Fujian Gulei Petrochemical Co., Ltd.	Chairman
CGPC Polymer Corporation	Chairman	Taiwan United Venture Capital Corp.	Chairman
Acme Electronics Corporation	Chairman	Taiwan United Venture Management Corporation	Chairman
ACME Electronics (Kunshan) Co., Ltd.	Director	Union Polymer International Investment Corporation	Chairman
ACME Electronics (Guangzhou) Co., Ltd.	Director		President
ASK-Swanson (Kunshan) Company Limited	Director		
Swanson Technologies Corporation	Chairman		

Ma, Yi-kung (Representative of USIFE Investment Co., Ltd.)

USI Education Foundation	Director
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Wu, Pei-Chi (Representative of Union Polymer International Investment Corporation)

APC (BVI) Holding Co., Ltd.	Director	APC Investment Corporation	Director
Dynamic Ever Investments Ltd.	Director	ASIA Polymer Corporation	Director
Ever Conquest Global Limited	Director		President
Ever Victory Global Ltd.	Director	Chong Loong Trading Co. Ltd.	Director
Golden Amber Enterprises Ltd.	Director		President
Swanlake Traders Ltd.	Director	USI Green Energy Corporation	Chairman
USI International Corporation	Director	USI Education Foundation	Director
USI (Hong Kong) Company Limited	Director	China General Plastics Corp.	Director
USI Optronics Corporation	Director	China General Terminal & Distribution Corporation	Director
USIFE Investment Co., Ltd.	Director	ACME Electronics (Kunshan) Co., Ltd.	Director
USI Management Consulting Corp.	Director	Swanson Technologies Corporation	Director
USI corporation	Director		
	President		

Swanson Plastics Corporation	Director	Taiwan United Venture Capital Corp.	Director
Xiamen USI Trading Co., Ltd.	Chairman	INOMA Corporation	Director
Zhangzhou USI Trading Co., Ltd.	Chairman	USI Trading (Shanghai) Co., Ltd.	Chairman
Zhangzhou Dynamic Ever Property Co., Ltd.	Chairman		President
Fujian Gulei Petrochemical Co., Ltd.	Director	Union Polymer International Investment Corporation	Director

Pi, Shu-Chien (Representative of Taiwan Union International Investment Corporation)

APC (BVI) Holding Co., Ltd.	Director	China General Terminal & Distribution Corp.	Director
Constant Holdings Ltd	Director	Taiwan Union International Investment Corporation	Chairman
Goldendust Co., Ltd.	Director	Guangdong Union Logistics Co., Ltd.	Chairman
Natural Holdings Co., Ltd	Director	Panjin Union Chemical Industrial Co., Ltd.	Chairman
Star Bright Traders Ltd.	Director	Panjin Union Materials Industry Co., Ltd.	Chairman
UPC Chemicals (Malaysia) Sdn. Bhd.	Director	Panjin Union Logistics Co., Ltd.	Chairman
Zhongshan Unicizers Industrial Co., Ltd.	Chairman	Panjin Union Plastics Industry Co., Ltd.	Chairman
Jiangsu Union Logistics Co. Ltd.	Chairman	UPC Technology Corporation	Director
Asia Polymer Corporation.	Director		President
Nanchong Unicizers Industrial Co., Ltd.	Chairman	Union Venture Capital Corp.	Director
Taizhou Union Chemical Industry Co., Ltd.	Chairman	Harbinger VII Venture Capital Corp.	Director
Taizhou Union Logistics Co., Ltd.	Chairman	LienHwa United LPG Co., Ltd.	Director
Taizhou Union Plastics Industry Co., Ltd.	Chairman	Zhenjiang Union Chemical Industry Co., Ltd.	Chairman
Zhuhai Unicizers Industrial Co., Ltd.	Chairman	Zhenjiang Union Torch Estate Co., Ltd.	Executive Director
Wei Chen Investment Corporation	Chairman		

Chen, Tyan-Wen (Independent Director)

Taiwan Secom Company Ltd.	Independent Director	Yeong Guan Energy Technology Group Company Limited	Independent Director
		Chia Shih Construction Co., Ltd.	Chairman

Way, Yung-Do (Independent Director)

YCSY Co., Ltd.	Chairman	Far Eastern Dept. Store, Ltd.	Independent Director
Cathay Financial Holding Co., Ltd.	Independent Director	Vanguard International Semiconductor Corporation	Director
Cathay United Bank Company Limited	Independent Director	MiTAC Holdings Corporation	Director
Cathay Securities Corporation	Independent Director	Iron Force Industrial Co., Ltd.	Director

Lee, Kuo-Shiang (Independent Director)

Taiwan Shiseido Co., Ltd.	Chairman	Hwa-Tsu Cosmetics Company	Chairman
Flelis International Inc.	Chairman		

Chen, Piao-Chun (Independent Director)

Elitech Corp	Chairman	Acme Electronics Corporation	Independent Director
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V. Extemporaneous Motions

VI. Meeting Adjournment

Appendix 1

Taita Chemical Company, Limited

Parliamentary Rules for Shareholders' Meetings

Amended on May 30, 2023

Article 1

To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2

The rules of procedures for this Corporation's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3

(Convening shareholders meetings and shareholders meeting notices)

Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.

Any changes to the convening of a shareholders meeting shall be resolved by the board meeting, which should be completed at the latest before the notice of the shareholders meeting is sent.

This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and the shareholders meeting agenda and supplemental meeting materials, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation.

The abovementioned meeting agenda and supplementary materials shall be made available by this Corporation to shareholders in the following ways on the day of the shareholders meeting:

1. For physical shareholders meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the video conferencing platform.

3. For virtual-only shareholders meetings, electronic documents should be shared on the video conferencing platform.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and publish, and the main contents for the reason should be listed and explained according to law, and shall not be raised by an extraordinary motion.

If re-election of the complete board of directors is listed as the purpose of a meeting of shareholders and the inauguration date is stated, after the completion of the board of directors, the inauguration date shall not be change by a motion or other means in the same meeting of shareholders.

A shareholder holding 1 percent or more of the total number of issued shares may submit to this Corporation a proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission in writing or by way of electronic transmission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Article 4

For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Should the shareholder decide to attend the shareholders meeting by video conferencing after a proxy form has been received by this Corporation, a written notice of proxy

cancellation shall be sent to this Corporation 2 days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5

(Principles determining the time and place of a shareholders meeting)

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

The restriction on the place of the meeting shall not apply when this Corporation convenes a virtual-only.

Article 6

(Preparation of documents such as the attendance book)

This Corporation shall specify in its shareholders meeting notices the time during which shareholder, solicitors and proxies (collectively "shareholders") attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. Registering to the video conferencing platform of the shareholders meeting should be completed at least 30 minutes before the meeting starts, those who complete the registration process are considered to have attended the meeting in person.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.

This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

For shareholders meetings that are held by video conferencing, shareholders who would like to attend the video conferencing of shareholders meeting should register with this Corporation at least two days before the shareholders meeting.

For shareholders meetings that are held by video conferencing, this Corporation shall upload the meeting agenda, annual report and other relevant information to the video

conferencing platform 30 minutes before the shareholders meeting, and keep this information disclosed until the end of the meeting.

Article 6-1:

(Matters to be included in the notice for the shareholders meeting conducted via video conferencing)

The shareholders meeting notice should specify the following matters if the meeting is also made available through video conferencing:

1. Methods of participation in the meeting through video conferencing and for exercising their rights.
2. The handling of issues with the video conferencing platform or participation in the video conference due to natural disasters, incidents or other force majeure events.
3. Other matters as required by law.

Article 7

(The chair and non-voting participants of a shareholders meeting)

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the chairperson shall appoint one of the directors to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair.

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

Article 8

(Documentation of a shareholders meeting by audio or video)

This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

For the shareholders meetings held by video conferencing, this Corporation shall retain records of the shareholders' registration, login, check-in, questioning, voting and vote counting results, etc., and make continuous and uninterrupted audio and video recording of the entire meeting.

The abovementioned materials and audio and video recordings shall be properly retained by this Corporation during the period of existence.

Article 9

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

The chair shall call the meeting to order at the appointed meeting time, and announce relevant information of the number of non-voting shares and the number of shares in attendance, etc. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made.

Article 10

(Discussion of proposals)

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Any extemporary motion(s) and/or the amendment(s) to the original proposal(s) shall be resolved. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

When the chair is of the opinion that a proposal and of amendments or extraordinary motions has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote, and Specify the voting time, and that the shareholders present should complete voting before the voting time ends.

Article 11

(Shareholder speech)

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

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

Report Items and matters unrelated to the proposals will not be put into discussion or

vote. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 3 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

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

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

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

For the shareholders meetings held by video conferencing, the shareholders who attend the meeting by video conferencing may raise their questions in text on the video conferencing platform after the chair announces the start of the meeting and before the chair announces the ending of the meeting. A shareholder may not raise their questions more than twice for a single motion, and each question is limited to 200 words.

Article 12

(Calculation of voting shares and recusal system)

Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13

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

the Company Act.

When this Corporation holds a shareholders meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence). When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or by video conferencing, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

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

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

After the chair announces the start of the meeting, the shareholders who participate in

the meeting through video conferencing shall conduct voting on various motions and election through the video conferencing platform, and must complete the voting before the chair announces the close of voting. Those who do not complete the voting before the announced ending time are considered abstention.

For the shareholders meetings held by video conferencing, the votes shall be counted once after the chair announces the close of voting, and the results of the voting and election will be announced.

Article 14

(Election)

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

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results of resolution (including a record made of the vote); where there is an election of directors, shall record the number of the vote for each candidate who is nominated and the minutes shall be retained for the duration of the existence of this Corporation.

Article 16

(Public disclosure)

On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies and number of shares whose voting rights are exercised by correspondence or electronically, and shall make an express disclosure of the same at the place of the shareholders meeting. For shareholders meetings that are held by video conferencing, this Corporation shall upload the above

information to the video conferencing platform 30 minutes before the shareholders meeting, and keep it disclosed until the end of the meeting.

When the shareholders meeting by video conferencing is announced to start, the number of voting rights of the attending shareholders shall be disclosed on the video conferencing platform. The same applies to when the total number of shares of the shareholders in attendance and a new tally of votes is released during the meeting.

Article 17

(Maintaining order at the meeting place)

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

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18

(Recess and resumption of a shareholders meeting)

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

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

Article 19

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

In case of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

Appendix 2

Articles of Incorporation of Taita Chemical Company, Limited

Section 1. General Provisions

- Article 1: The Company is incorporated under the Company Act of the Republic of China and named “台達化學工業股份有限公司” and “TAITA CHEMICAL COMPANY, LIMITED” in English.
- Article 2: The scope of the Company’s business is specified as follows:
1. Production and sales of Polystyrene resin and articles therefore.
 2. Production and sales of Acrylonitrile-butadiene-styrene (ABS) Copolymers.
 3. Production and sales of Styrene-acrylonitrile (SAN) Copolymers.
 4. Glasswool and articles therefore.
 5. Plastic resins and articles therefore.
 6. E303020 Noise and vibration restricting engineering.
 7. E801010 Building Maintenance and Upholstery.
 8. ZZ99999 Other than business requiring special approval, any business not prohibited or restricted by laws or regulations.
- Article 2-1: The Company’s total investment may be exempted from the restriction for no more than 40% of the paid-in capital prescribed by Article 13 of the Company Act.
- Article 2-2: The Company may make endorsement/guarantee externally due to the Company’s business needs or investment needs. The endorsement/guarantee shall be signed by the Chairman on behalf of the Company and comply with the Company’s operating procedure for making endorsement/guarantee.
- Article 3: The Company’s head office is situated in Taipei City, Taiwan, the R.O.C., and, when necessary and approved by boards' meeting, may set up branches and factories locally or overseas considered by the Company as adequate.
- Article 4: Public announcements of the Company shall be made in accordance with Article 28 of the Company Act.

Section 2. Stocks

- Article 5: The total capital stock of the Company shall be in the amount of NT\$4,000,000,000, divided into 400,000,000 common shares, at a par value of NT\$10 per share, and may be issued in installments.
- Article 6: When issuing shares, this Company may be exempted from printing the stocks for such shares, provided that registration to and retention by a centralized securities depository enterprise shall be made. Printed stocks shall be registered stocks signed or stamped by the directors representing the Company. Such stocks shall be numbered, and certified by the law prior to issuance.
- Article 6-1: (Deleted)
- Article 7: The Company's handling of its shareholders services shall comply with the "Regulations Governing the Administration of Shareholder Services of Public Companies" prescribed by the competent securities authority's.
- Article 8: (Deleted)
- Article 9: (Deleted)
- Article 10: The transfer of shares shall not be registered within 60 days prior to the convening date of a general shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting, or within five (5) days prior to the record date fixed by the Company for distribution of dividends, bonus or other benefits.

Section 3. Shareholders' Meeting

- Article 11: The Company's shareholders' meetings consist of the following:
1. General shareholders' meeting, shall be held once a year and within six (6) months after close of each fiscal year.
 2. Special shareholders' meeting, may be convened pursuant to laws when necessary.
- Unless otherwise provided for in other laws, a shareholders' meetings shall be convened by the Board of Directors.
- Article 11-1: Shareholders' meeting of the company can be held by video conferencing or other methods announced by the central competent authority.
- Article 12: Unless otherwise provided for in laws or the Articles, each of shares held

by each shareholder shall have the right to one (1) vote. Where any shareholder fails to attend a shareholders' meeting, he/she/it may appoint a proxy, pursuant to the Company Act and "Regulations Governing the Use of Proxies for Attendance at Shareholders' Meeting of Public Companies", to attend a shareholders' meeting on his/her/its behalf by executing a power of attorney printed by the Company stating therein the scope of power authorized to the proxy.

Article 13: Resolutions at a shareholders' meeting shall, unless otherwise provided for in Company Act or other laws, be adopted by a majority of eligible votes of the shareholders present, who represent more than a majority of the total issued shares. A shareholder who exercises his/her/its voting power at a shareholders meeting by way of writing or electronic transmission shall be deemed to have attended said shareholders' meeting in person. The related matters shall be implemented in accordance with laws.

Article 14: Unless otherwise provided in the Company Act, a shareholders' meeting shall be chaired and convened by the Company's Chairman of Board. Where the Chairman is absent, the Chairman shall appoint a proxy to act on behalf of him/her.

A shareholders' meeting shall be proceeded in accordance with the Company's Parliamentary Rules for Shareholders' Meetings. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the board of directors.

A shareholders' meeting shall be proceeded in accordance with the Company's Parliamentary Rules for Shareholders' Meetings.

Section 4. Directors and Audit Committee

Article 15: The Board of Directors has 9 to 11 seats. The candidate nomination system shall apply to the directorial election for the meeting of shareholders to elect directors among the nominated candidates.

Article 15-1: The directors referred to in the preceding Article shall include at least three (3) independent directors.

The professional qualifications, shares held, restrictions on concurrent positions held, method of nomination and election, and other matters for compliance with respect to independent directors shall be governed by the competent securities authority's related regulations.

Article 15-2: The Company shall establish an Audit Committee pursuant to the

Securities and Exchange Act, which shall consist of all independent directors of the Company. The Audit Committee or the committee members shall be responsible for exercising a supervisor's power prescribed by the Company Act, Securities and Exchange Act, and other related laws.

Article 15-3: The Company's Board of Directors may establish other functional committees. The articles of association thereof shall be established by the Board of Directors.

Article 16: The Chairman of the Board of Directors shall be elected from among the directors by a majority vote at a directors' meeting attended by over two-thirds of the directors, pursuant to Article 208 of the Company Act. The Chairman of the Board of Directors shall externally represent the Company and shall implement the resolutions made by shareholders' meetings and directors' meetings. A director may authorize another director to attend the directors' meeting on behalf of him/her pursuant to Article 205 of the Company Act. It shall be stated the scope of authorization. A director may accept the appointment to act as the proxy of one other director only. The total shares of the Company's registered share certificates held by the whole directors shall be no less than the proportion prescribed by the Securities and Exchange Act.

Article 17: Unless otherwise provided for in laws or orders, directors' meetings shall be convened and chaired by the Chairman. Where the Chairman is absent, the Chairman shall appoint a director to act on behalf of him/her. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the board of directors. Resolutions at a directors' meeting shall, unless otherwise provided for in Company Act or other laws, be adopted by a majority of eligible votes of the directors at a meeting attended by a majority of the whole directors.

Article 18: The functions of the Board of Directors:

1. Decide the business policy;
2. Review budget and final accounts;
3. Review important regulations;
4. Draft the allocation of earnings or covering of loss;
5. Draft the increase or decrease in capital ;
6. Exercise the powers granted pursuant to laws and Articles of Incorporation and by a shareholders' meeting.

Article 19: The convener shall notify each director of the agenda within seven (7) days prior to the meeting. However, in the case of emergency, the meeting may be convened at any time.

A directors' meeting may be convened in writing or by electronic transmission .

Article 20: The amounts of remuneration to directors shall be determined by the directors' meeting based on the rate prevailing in fellow companies and the directors' participation in and contribution to the Company's operation, regardless of whether or not the Company operates of profit. If a director serves other position concurrently in the Company, he/she may be remunerated with salary according to general standard.

Article 21: The Board of Directors has set up a Secretariat of the Board dedicated to handling the affairs related to the Board of Directors.

Section 5. Managerial Personnel and Personnel

Article 22: Job title, appointment, discharge and remuneration of the Company's managerial personnel, if any, shall be decided by a majority of the directors present at a meeting attended by a majority of the whole directors.

Article 23: The Company's managerial personnel shall process the Company's routine affairs per the resolution made by a directors' meeting.

Article 23-1: The Company shall purchase liability insurance against the damages to be borne by directors and officers with respect to the scope of business carried out by them during their term of office.

Section 6. Final Accounts/ Allocation of Earnings

Article 24: The Company's fiscal year shall commence from January 1 until December 31 of each year. The Board of Directors shall prepare the following reports at the end of each fiscal year and send them to the general shareholders' meeting for recognition:

1. Business report;
2. Financial statements;
3. Motion for allocation of earnings or covering of loss.

Article 25: If the Company retains earnings in the current year, it shall allocate the

compensation to directors and employees. The compensation to directors shall be no more than 1% of the earnings gained in the current year, while the compensation to employees shall be no less than 1% of the earnings. Notwithstanding, if the Company retains accumulated losses, it shall reserve the amount to be covered in advance.

Said compensation to employees may be allocated in the form of shares or in cash, including the employees of parents or subsidiaries of the Company's subsidiaries meeting certain specific requirements entitled to receive shares or cash. The specific requirements shall be defined by the Board of Directors.

If the Company has net profits after tax according to its annual financial account, the Company may, after making up all past losses, set aside a 10% legal reserve from the remainder, if any. The remaining allocable earnings, if any, plus the accumulated unappropriated earnings for prior years and the balance after provision or reversal of special earnings required by the competent authority, shall be accumulated allocable earnings, which shall be allocated according to the proposal drafted by the Board of Directors and resolution made by a general shareholders' meeting duly. The shareholders' meeting may retain the earnings, in whole or in part, subject to the overview of business.

As the industry which the Company is engaged in refers to a matured industry, when resolving to allocate earnings, in consideration of the R&D needs and diversified business, the shareholders' dividend allocable shall be no less than 10% of the allocable earnings, including the cash dividend no less than 10% of the whole dividends. Notwithstanding, no dividend shall be allocated, if the allocable earnings per share is less than NT\$0.1.

Article 26: The Company's articles of association and enforcement rules thereof shall be established separately.

Article 27: Any matters not covered herein shall be implemented in accordance with the Company Act and related laws of the R.O.C.

Article 28: The Articles of Incorporation was established on December 4, 1959. (following content omitted) 55th amendments hereto were made on May 30, 2023.

In case of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

Appendix 3

Taita Chemical Company, Limited

Rules for Election of Directors

Amended on May 30, 2023

- Article 1: The Company's directors shall be elected in accordance with the Rules.
- Article 2: Election of the Company's directors shall be conducted at a shareholders' meeting.
- Article 3: Unless otherwise provided in related laws, the Company's directors shall be elected by the shareholders' meeting from the name list of candidates.
- Article 4: Quota of the Company's directors shall be based on the quota defined in the Company's Articles of Incorporation and passed by the Board of Directors.
- Article 5: The election of the Company's directors shall adopt an open cumulative voting system. In the process of electing directors at a shareholders' meeting. The number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates. The votes which is cast on the site at the shareholders' meeting. Attendance card numbers printed on the ballots may replace the names of voting shareholders. The voters' equity shall be based on the Company's roster of shareholders. Election of the Company's independent directors and non-independent directors shall adopt the candidate nomination system referred to in Article 192-1 of the Company Act.
- Article 6: The Company's independent and non-independent directors shall be elected at the same time, but in separately calculated numbers. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed a director elected. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
- The votes referred to in Paragraph 1 shall be calculated based on the votes cast at the shareholders' meeting plus written vote or e-votes.
- For the e-voting result referred to in the preceding paragraph, an entity which meets Article 44-6 of the Regulations Governing the Administration of Shareholder Services of Public Companies shall be commissioned to verify the shareholders' identity and votes and certify the statistics of votes prior to the shareholders' meeting.
- Article 7: The Board of Directors shall prepare ballots to be cast at the shareholders'

meeting. The ballots shall be affixed with the Company's official seal, as well as the voters' attendance card number and number of votes.

For the election of the Company's directors, shareholders may choose to exercise their voting right in electronic form or by balloting on the site.

Shareholders who choose to exercise their voting right in an electronic form shall exercise the right on the e-voting platform designated by the Company.

Article 8: The chairperson shall designate several monitoring and counting personnel prior to the election to perform their duty.

Article 9: The ballot box and lot-drawing box at the shareholders' meeting shall be prepared by the Company and inspected by the monitoring personnel openly before the voting or lot drawing.

Article 10: Electors should check only one of the candidates listed in the "To be Elected" field of each ballot. However, if shareholders exercise their votes in an electronic form, their voting shall be handled in accordance with the relevant laws and regulations of the competent authority.

Article 11: A ballot is invalid under any of the following circumstances at the shareholders' meeting:

- I. The ballot adopted is not that prepared pursuant to the Rules.
- II. A blank ballot that has not been checked is placed in the ballot box.
- III. The checkmark is unclear and indecipherable.
- IV. The candidate that has been checked, or the number of voting rights allotted is altered.
- V. Other words or marks are entered in addition to the information checked pursuant to the preceding Article and the number of voting rights allotted.
- VI. There are more than two candidates on the same ballot.
- VII. The total number of checked candidates exceeds the number of candidates to be elected.
- VIII. Total of voting rights allotted exceed the number of votes held by voters.

Where the shareholders exercise their votes in writing or an electronic form, the invalid ballots shall be identified pursuant to the Rules and also the related laws promulgated by the competent authority.

Article 12: Where the total of voting rights allotted are less than the number of votes held by the voters, the decreased votes shall be waived.

Article 13: The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the results of calculation of written vote or e-voting, shall be announced by the chairperson on the site.

Article 14: The Company shall issue notifications to the persons elected as directors.

- Article 15: The ballots for the election cast on the site, together with the written vote or e-voting materials, shall be sealed with the signatures/seals of the monitoring personnel and kept by the Company in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.
- Article 16: If the shareholder meeting is held by video conferencing or other methods announced by the central competent authority, and there are other rules to be complied with as specified by the securities authority, the Company shall also comply with those rules.
- Article 16-1: Any matters not covered herein shall be implemented in accordance with the Company Act, the Company's Articles of Incorporation, and other related laws.
- Article 17: The Rules shall be enforced upon approval by a shareholders' meeting. The same shall apply where the Rules are amended.

In case of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

Appendix 4

Taita Chemical Company, Limited

Stake of Directors

Title	Name	Stake
Chairman	Wu, Yi-Gui (Representative of Union Polymer International Investment Corporation)	146,263,260
Director	Ma, Yi-kung (Representative of USIFE Investment Co., Ltd.)	1,415,368
Director	Wu, Pei-Chi (Representative of Union Polymer International Investment Corporation)	146,263,260
Director	Ying, Pao-Lo (Representative of USIFE Investment Co., Ltd.)	1,415,368
Director	Ke, Yi-Shao (Representative of Taiwan Union International Investment Corporation)	8,854,995
Independent Director	Chen, Tyan-Wen	0
Independent Director	Way, Yung-Do	0
Independent Director	Lee, Kuo-Shiang	0
Total Stake of Directors		156,533,623
Stake by Law of Directors		15,903,474

- Note: 1. The said stake is the number of shares registered in the List of Shareholders dated by the book due date (April 2) of the 2024 AGM.
2. The total issued shares of TTC are 397,586,848 shares.

Appendix 5

The Impact of Stock Dividend Issuance on Business Performance, EPS, and ROE:

No estimates should be disclosed as no financial forecast was made for 2024.

Appendix 6

Description of shareholders proposals :

1. Referring to Article 172-1 of the Company Act:
“Shareholder(s) holding one per cent (1%) or more of the total number of outstanding shares of a company may make a proposal for discussion at a general meeting of shareholders, provided that only one matter shall be allowed in each single proposal of not more than 300 words.”
2. The acceptance period of proposals from shareholders for the 2024 AGM is from March 23, 2024 to April 2, 2024. Such information was disclosed on the Market Observation Post System by law on March 14, 2024.
3. No proposal from shareholder was received during the said period.