

Stock Code : 1309

Taita Chemical Company, Limited

Handbook for the

2026 Annual General Meeting

of Shareholders

Date : May 28, 2026

Location : No. 33, Siwei 3rd Rd., Lingya Dist.,

Kaohsiung City

Han-Hsien International Hotel

(Physical shareholders meeting)

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Taita Chemical Company, Limited
Procedure of the 2026 Annual General Meeting
of Shareholders

1. Calling the Meeting to Order
2. Chairperson Takes Chair
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4. Report Items
5. Ratification Items
6. Discussion Items
7. Extemporaneous Motions
8. Adjournment

Taita Chemical Company, Limited

Year 2026

Agenda of Annual General Meeting of Shareholders

Date : May 28, 2026 (Thursday) PM 01:00

Location : No. 33, Siwei 3rd Rd., Lingya Dist., Kaohsiung City

Han-Hsien International Hotel

(Physical shareholders meeting)

1. Report Items :

(1) To report 2025 Operating results.

(2) To report Audit Committee's Review Reports of 2025 Financial Statement.

(3) To report 2025 remuneration of directors and employees.

2. Ratification Items :

(1) Adoption of 2025 Financial Statements and Business Report.

(2) To ratify 2025 Earnings Distribution.

3. Discussion Items :

(1) To approve the amendment to the Operating Procedure for Acquisition or Disposition of Assets.

(2) To approve the release of non-competition restrictions on directors.

4. Extemporaneous Motions :

5. Adjournment

I. Report Items :

Report 1

To report 2025 Operating results.

Taita Chemical Company, Limited.

2025 Business Report

The Company's 2025 net operating revenue was NT\$ 10.151 billion, a decrease of NT\$ 1.802 billion or approximately 15% from NT\$ 11.953 billion last year, with a budget accomplishment rate of 90%. Net loss before tax was NT\$ 520 million, net loss after tax was NT\$ 427 million, and loss per share was NT\$ 1.07.

In 2025, the Company's operations were impacted by multiple uncertainties, including inflation, geopolitical conflicts, and U.S. tariff policies, which continued to weigh on the global macroeconomic environment, resulting in overall weak demand. In addition, as ABS supply in Mainland China continued to increase and excess capacity spilled over, market competition intensified. Although the Company made progress in continuing to develop the Indian and South Asian markets, the revocation of India's BIS in November caused ABS sales volume to decline by approximately 5% from 2024. As for GPS, the Company actively developed markets in Southeast Asia, the Middle East, Africa, and the Americas, broadening its sales coverage. Although it maintained full production and full sales, it was still unable to offset the weak demand trend caused by the global economic slowdown, and sales volume declined slightly by approximately 2% from 2024. At the Qianzhen EPS plant, affected by increased EPS exports from Mainland China and low-priced competition for orders, sales volume decreased by approximately 6% from 2024.

The sales performance of individual product ranges is as follows
The sales volume of ABS products was 97,000 tons, resulting in a loss of NT\$ 387 million. The GPS/IPS production and sales volumes were 92,000

tons, resulting a profit of NT\$ 32 million. The EPS production and sales volumes were 56,000 tons, resulting a loss of NT\$ 72 million. The total ABS/PS sales volumes were 245,000 MT respectively, with a budget achievement percentage of 94%. The sales of glass wool plus imported rock wool, was 12,700 tons, with revenues of NT\$ 558 million and profit of NT\$ 36 million.

The revenue of the aforementioned products was NT\$ 10.151 billion, a decrease of NT\$ 1.802 billion from the previous year, and net operating loss totaled NT\$ 391 million.

Regarding non-operating items, Taita Chemical (Zhongshan) Co., Ltd. was affected by uncertainty surrounding U.S. tariffs, which led to weaker demand in the home appliance packaging materials market, severe market involution, and reduced demand for fruit and vegetable boxes due to extreme weather in Yunnan in the second half of the year, including heavy rainstorms and hail. Annual sales volume was approximately 130,000 tons, down 19% from the previous year; operating loss was approximately NT\$ 6 million, net non-operating interest income and other income amounted to NT\$ 9 million, and net profit after tax was NT\$ 1 million. The Company recognized NT\$ 29 million in loss under the equity method, foreign exchange losses of NT\$ 73 million, net interest expense of NT\$ 34 million, and other non-operating income of NT\$ 7 million. The total non-operating loss was NT\$ 129 million.

The Company's core philosophy in promoting sustainable operation is "Creating Sustainable Value and Sharing a Sustainable Society", and actively promotes ESG strategies to respond to environmental and social challenges. The Company has obtained SGS Green Label - Consumer Pre-Recycling Material PIR ISO 14021 certification, and is actively entering applications for shared mobility tools to pursue low-carbon transformation. In response to the intense changes in global supply chains, the Company is committed to the reduction of business waste at source, and working

together with the supply chain and the value chain for sustainability.

Looking ahead to 2026, the Company will continue to realize “integrated supply chain management” to maintain reasonable inventory targets for raw materials and finished goods and reduce the risks arising from market fluctuations, while introducing AI solutions for production processes, research and development, occupational safety, and environmental protection, developing ESG low-carbon products and high-value-added products, and continuing energy-saving and carbon-reduction efforts to strengthen its existing market position. Although the market continues to be affected by factors such as uncertainty surrounding U.S. tariffs and price competition from products from Mainland China, and demand remains under pressure, policies in Mainland China to phase out outdated equipment, the Federal Reserve’s interest rate cuts, and easing geopolitical tensions have created new demand and opportunities. Accordingly, the Company’s business strategy remains focused on maximizing production and sales, while actively expanding the breadth of its sales regions to reduce dependence on any single overseas market and fully realize the objective of maximizing production and sales.

Chairman : Wu, Yih-Guei

President : Wu, Pei-Chi

Chief Accounting Office : Li, Chun-Yao

Report Items :

Report 2

To report Audit Committee's Review Reports of 2025 Financial Statement.

Taita Chemical Company, Limited

Audit Report

This Audit Committee has audited the 2025 Business Report produced by the Board of Directors, the financial statements (including consolidated and individual financial statements) audited and certified by CPA Chen Chun-Hung and CPA Liu Yi-Ching 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 2026 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

Independent Director : Chen, Piao-Chun

March 11, 2026

Report Items :

Report 3

To report 2025 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 2025, no remuneration for directors and employees will be distributed.

II. Ratification Items :

Proposal 1

Proposed by the Board

Adoption of 2025 Financial Statements and Business Report.

Description : 1. The 2025 financial statements (including consolidated and individual financial statements) approved by the Board on March 11, 2026 are audited by CPA Chen Chun-Hung and CPA Liu Yi-Ching of Deloitte Taiwan and the Audit Committee for the record.

2. Please refer to p.4-6 of this Handbook for the 2025 Business Report and p.10-30 for the CPA Audit Report and the financial statements.

Resolution :

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 of December 31, 2025 and 2024 and the statements of comprehensive income, changes in equity and cash flows for the years then ended 2025 and 2024, 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, 2025 and 2024, as well as the consolidated financial performance and cash flows from January 1 to December 31, 2025 and 2024.

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 Taita Chemical Co., Ltd. and its subsidiaries 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 2025 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 2025 are stated as follows:

Authenticity of the Recognition of Sales Revenue from Specific Customers

Due to changes in market supply and demand, Taita Chemical Co., Ltd. and its subsidiaries experienced a decline in sales revenue in 2025 compared to 2024. However, revenue derived from certain specific customers exhibited a contrary upward growth trend and was of material significance. The auditor assesses whether the sales revenue from these customers genuinely fulfills the contractual obligations, as this will have a significant

impact on the consolidated financial report. Therefore, it has been classified as a key audit matter for this 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.

Other matters

The CPAs have also audited the Parent Company Only Financial Statements of Taita Chemical Co., Ltd. for 2025 and 2024, 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, IFRIC Interpretations, and SIC Interpretations as endorsed and issued into effect 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 CPA 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. are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the 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 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 the 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 Taita Chemical Co., Ltd. and its subsidiaries to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Taita Chemical Co., Ltd. and its subsidiaries 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 2025 of the Taita Chemical Co., Ltd. and its subsidiaries. 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 Chen Chun-Hung

CPA Liu Yi-Ching

Financial Supervisory Commission
Approval Number
Jin-Guan-Zheng-Shen-Zi No.
0990031652

Financial Supervisory Commission
Approval Number
Jin-Guan-Zheng-Shen-Zi No.
1100356048

March 11, 2026

Notice to Readers:

The consolidated financial statement (Chinese version) of our company is audited by the CPA Chen Chun-Hung and CPA Liu Yi-Ching 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 Company, Ltd. and subsidiaries

**Consolidated Balance Sheets
December 31, 2025 and 2024**

Unit: NT\$ 1,000

Code	Assets	December 31, 2025		December 31, 2024	
		Amount	%	Amount	%
CURRENT ASSETS					
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 669,196	8	\$ 886,216	9
1110	Financial assets at fair value through profit or loss - current (Notes 4 and 7)	133,467	2	421,006	4
1140	Financial assets at amortized cost - current (Notes 4, 9 and 30)	1,836,031	21	1,384,923	14
1150	Notes receivable (Notes 4 and 10)	128,102	2	293,745	3
1170	Accounts receivable (Notes 4 and 10)	1,464,925	17	2,142,437	22
1180	Accounts receivable from related parties (Notes 4, 10 and 29)	2	-	7,665	-
1200	Other receivables (Notes 4 and 10)	87,197	1	103,305	1
1210	Other receivables from related parties (Notes 4, 10 and 29)	179	-	1,569	-
1220	Current tax assets (Notes 4 and 25)	9,505	-	7,852	-
130X	Inventories (Notes 4 and 11)	881,597	10	1,137,638	12
1410	Prepayments and other current assets	91,869	1	118,807	1
11XX	Total current assets	<u>5,302,070</u>	<u>62</u>	<u>6,505,163</u>	<u>66</u>
Non-current assets					
1517	Financial assets at fair value through other comprehensive incomes - non-current (Notes 4 and 8)	167,724	2	162,437	2
1540	Financial assets at amortized cost - non-current (Notes 4 and 9)	-	-	45,608	-
1550	Investments accounted for using equity method (Notes 4, 5 and 13)	565,731	7	603,786	6
1600	Property, plant, and equipment (Notes 4, 14 and 29)	1,878,149	22	1,929,504	20
1755	Right-of-use assets (Notes 4, 15 and 29)	244,310	3	258,924	3
1760	Investment properties (Notes 4 and 16)	108,178	1	108,178	1
1840	Deferred income tax assets (Notes 4 and 25)	270,133	3	182,157	2
1990	Other non-current assets (Note 30)	32,638	-	43,820	-
15XX	Total non-current assets	<u>3,266,863</u>	<u>38</u>	<u>3,334,414</u>	<u>34</u>
1XXX	Total	<u>\$ 8,568,933</u>	<u>100</u>	<u>\$ 9,839,577</u>	<u>100</u>
Liabilities and equity					
CURRENT LIABILITIES					
2100	Short-term borrowings (Note 17)	\$ 1,290,000	15	\$ 1,840,000	19
2110	Short-term notes and bills payable (Note 17)	99,981	1	-	-
2120	Financial liabilities at fair value through profit or loss - current (Notes 4 and 7)	209	-	-	-
2170	Accounts payable (Note 18)	625,390	7	912,740	9
2180	Accounts payable to related parties (Notes 18 and 29)	74	-	79	-
2200	Other payables (Note 19)	297,489	4	345,244	3
2220	Other payables from related parties (Note 29)	2,830	-	15,823	-
2230	Current tax liabilities (Notes 4 and 25)	-	-	18,095	-
2280	Lease liabilities - current (Notes 4, 15 and 29)	4,769	-	4,717	-
2365	Refund liabilities - current (Note 20)	1,539	-	1,215	-
2399	Other current liabilities	40,398	1	57,893	1
21XX	Total current liabilities	<u>2,362,679</u>	<u>28</u>	<u>3,195,806</u>	<u>32</u>
Non-current liabilities					
2540	Long-term borrowings (Note 17)	150,000	2	-	-
2570	Deferred income tax liabilities (Notes 4 and 25)	249,121	3	260,756	3
2580	Lease liabilities - non-current (Notes 4, 15 and 29)	19,608	-	24,377	-
2640	Net defined benefit liabilities - non-current (Notes 4 and 21)	28,450	-	56,105	1
2670	Other non-current liabilities	5,276	-	4,646	-
25XX	Total non-current liabilities	<u>452,455</u>	<u>5</u>	<u>345,884</u>	<u>4</u>
2XXX	Total liabilities	<u>2,815,134</u>	<u>33</u>	<u>3,541,690</u>	<u>36</u>
Equity attributable to owners of the Company (Notes 13, 21 and 22)					
Share capital					
3110	Common stock	3,975,868	47	3,975,868	40
3200	Capital surplus	3,954	-	3,242	-
Retained earnings					
3310	Legal reserve	502,038	6	502,038	5
3320	Special reserve	308,061	3	308,061	3
3350	Unappropriated earnings	934,583	11	1,430,917	15
3300	Total retained earnings	<u>1,744,682</u>	<u>20</u>	<u>2,241,016</u>	<u>23</u>
3400	Other equity	29,295	-	77,761	1
3XXX	Total equity	<u>5,753,799</u>	<u>67</u>	<u>6,297,887</u>	<u>64</u>
Total		<u>\$ 8,568,933</u>	<u>100</u>	<u>\$ 9,839,577</u>	<u>100</u>

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

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Taita Chemical Company, Ltd. and subsidiaries

Consolidated Statement of Comprehensive Income

January 1 to December 31, 2025 and 2024

Unit: In Thousands of New Taiwan Dollars, except Loss per Share

Code		2025		2024	
		Amount	%	Amount	%
4100	Net revenue (Notes 4, 20, 23 and 29)	\$ 14,485,681	100	\$ 18,622,910	100
5110	Cost of goods sold (Notes 11, 14, 15, 21, 24 and 29)	<u>13,893,628</u>	<u>96</u>	<u>17,744,822</u>	<u>95</u>
5900	Gross profit	<u>592,053</u>	<u>4</u>	<u>878,088</u>	<u>5</u>
	Operating expenses (Notes 10, 14, 15, 21, 24 and 29)				
6100	Selling and marketing expenses	825,343	6	1,031,417	6
6200	Administrative expenses	171,272	1	178,314	1
6300	Research and development expenses	17,710	-	16,374	-
6450	Expected credit impairment loss	<u>1,403</u>	<u>-</u>	<u>12,951</u>	<u>-</u>
6000	Total operating expenses	<u>1,015,728</u>	<u>7</u>	<u>1,239,056</u>	<u>7</u>
6900	Net operating loss	(<u>423,675</u>)	(<u>3</u>)	(<u>360,968</u>)	(<u>2</u>)
	Non-operating income and expenses (Notes 7, 13, 16, 24 and 29)				
7100	Interest income	39,265	-	45,638	-
7010	Other income	40,194	-	38,346	-
7020	Other gains and losses	(92,593)	(1)	88,149	1
7060	Share of profit or loss of associates accounted for using equity method	(35,488)	-	(13,596)	-
7510	Financial costs	(<u>41,439</u>)	<u>-</u>	(<u>39,311</u>)	<u>-</u>
7000	Total non-operating income and expenses	(<u>90,061</u>)	(<u>1</u>)	<u>119,226</u>	<u>1</u>

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Code		2025		2024	
		Amount	%	Amount	%
7900	Loss before income tax	(\$ 513,736)	(4)	(\$ 241,742)	(1)
7950	Income tax gain (Notes 4 and 25)	(86,365)	(1)	(18,730)	-
8200	Net loss for the year	(427,371)	(3)	(223,012)	(1)
	Other comprehensive income (loss) (Notes 8, 13, 21, 22 and 25)				
8310	Items that will not be reclassified to profit or loss:				
8311	Remeasurement of defined benefit plans	12,225	-	28,835	-
8316	Unrealized gain (loss) on investments in equity instruments measured at fair value through other comprehensive income	5,287	-	(135,990)	(1)
8320	Share of other comprehensive income of associates accounted for using equity method - unrealized gain (loss) on investments in equity instruments measured at fair value through other comprehensive income	(3,781)	-	(30,160)	-
8330	Share of the other comprehensive profit or loss of associates accounted for using the equity method - remeasurement of defined benefit plans	774	-	4,398	-
8349	Income tax related to items that will not be reclassified to profit or loss	(2,445)	-	(5,767)	-
		<u>12,060</u>	<u>-</u>	<u>(138,684)</u>	<u>(1)</u>
8360	Items that may be reclassified to profit or loss:				
8361	Exchange Differences on Translating the Financial Statements of Foreign Operations	(64,604)	-	155,313	1

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Code		2025		2024	
		Amount	%	Amount	%
8371	Share of the other comprehensive income of associates accounted for using equity method - exchange differences on translation of foreign financial statements	\$ 2,147	-	\$ 7,537	-
8399	Income tax relating to items that may be reclassified to profit or loss	<u>12,485</u>	<u>-</u>	<u>(32,023)</u>	<u>-</u>
		<u>(49,972)</u>	<u>-</u>	<u>130,827</u>	<u>1</u>
8300	Other comprehensive incomes (losses) for the year (net of income tax)	<u>(37,912)</u>	<u>-</u>	<u>(7,857)</u>	<u>-</u>
8500	Total comprehensive income for the year	<u>(\$ 465,283)</u>	<u>(3)</u>	<u>(\$ 230,869)</u>	<u>(1)</u>
	Loss per share (Note 26)				
9710	Basic	<u>(\$ 1.07)</u>		<u>(\$ 0.56)</u>	
9810	Diluted	<u>(\$ 1.07)</u>		<u>(\$ 0.56)</u>	

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

Notice to Readers:

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Taita Chemical Company, Ltd. and subsidiaries

**Consolidated statement of changes in equity
January 1 to December 31, 2025 and 2024**

Unit: NT\$ 1,000

Equity attributable to owners of the Company (Notes 13, 21 and 22)														
Code		Equity attributable to owners of the Company (Notes 13, 21 and 22)								Other equity				
		Share capital		Capital surplus		Retained earnings				Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized gain (loss) on financial assets measured at fair value through other comprehensive income	Total	Total equity	
		Share (in thousands of shares)	Amount	Long-term equity investment	Other capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total					
A1	Balance as of January 1, 2024	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
B5	Appropriation of 2023 earnings Cash dividends to shareholders	-	-	-	-	-	-	-	(119,276)	(119,276)	-	-	-	(119,276)
T1	Changes in capital surplus	-	-	41	-	41	-	-	-	-	-	-	-	41
D1	Net loss for 2024	-	-	-	-	-	-	-	(223,012)	(223,012)	-	-	-	(223,012)
D3	Other comprehensive incomes after tax for the year 2024	-	-	-	-	-	-	-	27,466	27,466	130,827	(166,150)	(35,323)	(7,857)
D5	Total comprehensive income for the year 2024	-	-	-	-	-	-	-	(195,546)	(195,546)	130,827	(166,150)	(35,323)	(230,869)
Z1	Balance at December 31, 2024	397,587	3,975,868	2,803	439	3,242	502,038	308,061	1,430,917	2,241,016	(22,187)	99,948	77,761	6,297,887
B5	Appropriation of 2024 earnings Cash dividends to shareholders	-	-	-	-	-	-	-	(79,517)	(79,517)	-	-	-	(79,517)
T1	Changes in capital surplus	-	-	21	691	712	-	-	-	-	-	-	-	712
D1	Net loss for 2025	-	-	-	-	-	-	-	(427,371)	(427,371)	-	-	-	(427,371)
D3	Other comprehensive incomes after tax for the year 2025	-	-	-	-	-	-	-	10,554	10,554	(49,972)	1,506	(48,466)	(37,912)
D5	Total comprehensive income for the year 2025	-	-	-	-	-	-	-	(416,817)	(416,817)	(49,972)	1,506	(48,466)	(465,283)
Z1	Balance at December 31, 2025	397,587	\$ 3,975,868	\$ 2,824	\$ 1,130	\$ 3,954	\$ 502,038	\$ 308,061	\$ 934,583	\$ 1,744,682	(\$ 72,159)	\$ 101,454	\$ 29,295	\$ 5,753,799

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

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Taita Chemical Company, Ltd. and subsidiaries
Consolidated Statement of Cash Flows
January 1 to December 31, 2025 and 2024

Unit: NT\$ 1,000

Code		2025	2024
	Cash flows from operating activities		
A10000	Net loss before income tax for the year	(\$ 513,736)	(\$ 241,742)
A20010	Adjustments for:		
A20100	Depreciation expenses	214,021	215,622
A20200	Amortization expenses	-	498
A20300	Expected credit impairment loss	1,403	12,951
A22900	Gain on lease modification	(1,643)	-
A20400	Net loss on financial instruments measured at fair value through profit or loss	21,264	2,915
A20900	Financial costs	41,439	39,311
A21200	Interest income	(39,265)	(45,638)
A21300	Dividend income	(5,022)	(8,286)
A22300	Share of Profit or Loss from Equity Method Investees	35,488	13,596
A22500	Loss on disposal of property, plant and equipment	116	1,491
A23700	Allowance for inventory valuation and obsolescence loss (reversal gains)	12,922	(16,287)
A29900	Recognition of refund liabilities	8,640	8,649
A30000	Changes in operating assets and liabilities		
A31115	Financial assets measured at fair value through profit or loss	266,484	(262,743)
A31130	Notes receivable	154,284	(73,414)
A31150	Accounts receivable	647,795	(535,706)
A31160	Accounts receivable from related parties	7,663	(3,465)
A31180	Other receivables	15,178	(13,751)
A31190	Other receivables from related parties	1,390	3,369
A31200	Inventories	234,077	(10,494)
A31230	Prepayments and other current assets	23,289	(6,140)
A32150	Accounts payable	(285,641)	162,986
A32160	Accounts payable to related parties	(5)	30
A32180	Other payables	(46,453)	81,361
A32190	Other payables to related parties	(3,300)	1,691
A32230	Other current liabilities	(16,404)	(3,687)
A32240	Net defined benefit liability	(15,430)	(15,700)

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Code		2025	2024
A33000	Net cash inflow (outflow) from operating activities	\$ 758,554	(\$ 692,583)
A33100	Interest received	39,397	63,454
A33300	Interest paid	(41,563)	(38,800)
A33500	Income tax refund (paid)	(21,903)	6,472
AAAA	Net cash inflow (outflow) from operating activities	<u>734,485</u>	<u>(661,457)</u>
	Cash flows from investing activities		
B00040	Acquisition of financial assets measured at amortized cost	(904,624)	(1,493,127)
B00050	Disposal of financial assets measured at amortized cost	481,033	90,402
B01800	Acquisition of associates	-	(16,907)
B02700	Acquisition of property, plant and equipment	(168,743)	(190,685)
B02800	Disposal of property, plant and equipment	-	215
B03700	Increase in refundable deposits	(18,601)	(15,670)
B03800	Decrease in refundable deposits	34,867	103
B05350	Disposal of right-of-use assets	1,818	-
B06700	Increase in other non-current assets	(5,139)	-
B07600	Dividends received	6,750	12,316
BBBB	Net cash flow used in investing activities	<u>(572,639)</u>	<u>(1,613,353)</u>
	Cash flows from financing activities		
C00100	Increase (decrease) in short-term borrowings	(550,000)	1,015,000
C00500	Increase in short-term notes and bills payable	99,831	-
C01600	Proceeds from long-term borrowings	150,000	-
C03000	Increase in deposits received	686	-
C04020	Repayments of the principal portion of lease liabilities	(4,717)	(4,665)
C04300	Decrease in other non-current liabilities	-	(69)
C04500	Payments of cash dividends	(79,517)	(119,276)
C04400	Refund of unclaimed overdue cash dividends	119	1,067
CCCC	Net cash inflow (outflow) from financing activities	<u>(383,598)</u>	<u>892,057</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>4,732</u>	<u>57,640</u>
EEEE	Cash and cash equivalents decrease for the current year	(217,020)	(1,325,113)
E00100	Cash and cash equivalents at the beginning of period	<u>886,216</u>	<u>2,211,329</u>
E00200	Cash and cash equivalents at the end of period	<u>\$ 669,196</u>	<u>\$ 886,216</u>

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

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Independent Auditors' Report

To: Taita Chemical Co., Ltd.:

Opinion

We have audited the accompanying financial statements of Taita Chemical Co., Ltd. (the "Company"), which comprise the balance sheets of December 31, 2025 and 2024 and the statements of comprehensive income, changes in equity and cash flows for the years then ended 2025 and 2024, 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. of December 31, 2025 and 2024 and its financial performance and its cashflows for the years then ended 2025 and 2024 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 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 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, 2025. 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, 2025 are stated as follows:

Authenticity of the Recognition of Sales Revenue from Specific Customers

Due to changes in market supply and demand, Taita Chemical Co., Ltd. experienced a decline in sales revenue in 2025 compared to 2024. However, revenue derived from certain specific customers exhibited a contrary upward growth trend and was of material significance. The auditor assesses whether the sales revenue from these customers genuinely fulfills the contractual obligations, as this will have a significant impact on the Parent Company Only Financial Statement. Therefore, it has been classified as a key audit matter for this year.

For relevant accounting policies and disclosures of the recognition of sales revenue, please refer to Notes 4 and 22 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Parent company only Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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, 2025 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 Chen Chun-Hung

CPA Liu Yi-Ching

Financial Supervisory Commission
Approval Number
Jin-Guan-Zheng-Shen-Zi No.
0990031652

Financial Supervisory Commission
Approval Number
Jin-Guan-Zheng-Shen-Zi No.
1100356048

March 11, 2026

Notice to Readers:

The parent company only financial statement (Chinese version) of our company is audited by the CPA Chen Chun-Hung and CPA Liu Yi-Ching 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 Company Ltd.
Parent Company Only Balance Sheets
December 31, 2025 and 2024

Unit: NT\$ 1,000

Code	Assets	December 31, 2025		December 31, 2024	
		Amount	%	Amount	%
CURRENT ASSETS					
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 352,539	4	\$ 521,524	6
1110	Financial assets at fair value through profit or loss - current (Notes 4 and 7)	133,467	2	421,006	4
1136	Financial assets at amortized cost - current (Notes 4, 9 and 29)	5,000	-	3,000	-
1150	Notes receivable (Notes 4 and 10)	17,018	-	29,385	-
1170	Accounts receivable (Notes 4 and 10)	847,535	10	1,266,756	13
1180	Accounts receivable from related parties (Notes 4, 10 and 28)	2	-	8,260	-
1200	Other receivables (Notes 4 and 10)	69,428	1	85,128	1
1210	Other receivables from related parties (Notes 4, 10 and 28)	286,999	3	300,752	3
1220	Current tax assets (Notes 4 and 24)	2,693	-	7,224	-
130X	Inventories (Notes 4 and 11)	729,280	9	965,669	10
1410	Prepayments and other current assets	85,091	1	95,483	1
11XX	Total current assets	<u>2,529,052</u>	<u>30</u>	<u>3,704,187</u>	<u>38</u>
Non-current assets					
1517	Financial assets at fair value through other comprehensive incomes - non-current (Notes 4 and 8)	167,724	2	162,437	2
1550	Investments accounted for under the equity method (Notes 4, 5 and 12)	3,711,081	44	3,807,416	39
1600	Property, plant, and equipment (Notes 4, 13 and 28)	1,612,176	19	1,639,133	17
1755	Right-of-use assets (Notes 4, 14 and 28)	23,097	-	27,717	-
1760	Investment properties, net (Notes 4 and 15)	108,178	1	108,178	1
1840	Deferred income tax assets (Notes 4 and 24)	262,092	3	175,407	2
1900	Other non-current assets (Note 29)	29,600	1	40,852	1
15XX	Total non-current assets	<u>5,913,948</u>	<u>70</u>	<u>5,961,140</u>	<u>62</u>
1XXX	Total	<u>\$ 8,443,000</u>	<u>100</u>	<u>\$ 9,665,327</u>	<u>100</u>
Liabilities and equity					
CURRENT LIABILITIES					
2100	Short-term borrowings (Note 16)	\$ 1,290,000	15	\$ 1,840,000	19
2110	Short-term notes and bills payable (Note 16)	99,981	1	-	-
2120	Financial liabilities at fair value through profit or loss - current (Notes 4 and 7)	209	-	-	-
2170	Accounts payable (Note 17)	570,998	7	842,698	9
2180	Accounts payable to related parties (Notes 17 and 28)	74	-	79	-
2200	Other payables (Note 18)	250,600	3	280,867	3
2220	Other payables from related parties (Note 28)	2,830	-	15,823	-
2280	Lease liabilities - current (Notes 4, 14 and 28)	4,769	-	4,717	-
2365	Refund liabilities - current (Note 19)	1,539	-	1,215	-
2399	Other current liabilities	37,061	1	53,270	1
21XX	Total current liabilities	<u>2,258,061</u>	<u>27</u>	<u>3,038,669</u>	<u>32</u>
Non-current liabilities					
2540	Long-term borrowings (Note 16)	150,000	2	-	-
2570	Deferred income tax liabilities (Notes 4 and 24)	230,664	3	246,557	2
2580	Lease liabilities - non-current (Notes 4, 14 and 28)	19,608	-	24,377	-
2640	Net defined benefit liabilities - non-current (Notes 4 and 20)	28,450	-	56,105	1
2670	Other non-current liabilities	2,418	-	1,732	-
25XX	Total non-current liabilities	<u>431,140</u>	<u>5</u>	<u>328,771</u>	<u>3</u>
2XXX	Total liabilities	<u>2,689,201</u>	<u>32</u>	<u>3,367,440</u>	<u>35</u>
Equity (Notes 12, 20 and 21)					
Share capital					
3110	Common stock	3,975,868	47	3,975,868	41
3200	Capital surplus	3,954	-	3,242	-
Retained earnings					
3310	Legal reserve	502,038	6	502,038	5
3320	Special reserve	308,061	4	308,061	3
3350	Unappropriated earnings	934,583	11	1,430,917	15
3300	Total retained earnings	<u>1,744,682</u>	<u>21</u>	<u>2,241,016</u>	<u>23</u>
3400	Other equity	29,295	-	77,761	1
3XXX	Total equity	<u>5,753,799</u>	<u>68</u>	<u>6,297,887</u>	<u>65</u>
Total		<u>\$ 8,443,000</u>	<u>100</u>	<u>\$ 9,665,327</u>	<u>100</u>

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Taita Chemical Company Ltd.

Parent Company Only Statements of Comprehensive Income January 1 to December 31, 2025 and 2024

Unit: In Thousands of New Taiwan Dollars, except Loss per Share

Code		2025		2024	
		Amount	%	Amount	%
4100	Net revenue (Notes 4, 19, 22 and 28)	\$ 10,151,150	100	\$ 11,953,000	100
5110	Cost of Goods Sold (Notes 11, 13, 14, 20, 23, and 28)	<u>9,603,657</u>	<u>95</u>	<u>11,293,062</u>	<u>95</u>
5900	Gross profit	<u>547,493</u>	<u>5</u>	<u>659,938</u>	<u>5</u>
	Operating expenses (Notes 10, 13, 14, 20, 23, and 28)				
6100	Selling and marketing expenses	793,027	8	982,289	8
6200	Administrative expenses	127,929	1	127,233	1
6300	Research and development expenses	17,710	-	16,374	-
6450	Expected credit impairment losses (reversal gains)	(<u>58</u>)	-	<u>427</u>	-
6000	Total operating expenses	<u>938,608</u>	<u>9</u>	<u>1,126,323</u>	<u>9</u>
6900	Net operating loss	(<u>391,115</u>)	(<u>4</u>)	(<u>466,385</u>)	(<u>4</u>)
	Non-operating income and expenses (Notes 7, 12, 15, 23, and 28)				
7100	Interest income	7,595	-	12,955	-
7010	Other income	34,057	-	36,571	-
7020	Other gains and losses	(99,842)	(1)	98,801	1
7070	Shares of profit (loss) in subsidiaries and associates accounted for under the equity method	(29,165)	-	75,609	1
7510	Financial costs	(<u>41,439</u>)	-	(<u>39,227</u>)	-
7000	Total non-operating income and expenses	(<u>128,794</u>)	(<u>1</u>)	<u>184,709</u>	<u>2</u>

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Code		2025		2024	
		Amount	%	Amount	%
7900	Loss before income tax	(\$ 519,909)	(5)	(\$ 281,676)	(2)
7950	Income tax gain (Notes 4 and 24)	(92,538)	(1)	(58,664)	-
8200	Net loss for the year	(427,371)	(4)	(223,012)	(2)
	Other comprehensive income (Notes 8, 12, 20, 21, and 24)				
8310	Items that will not be reclassified to profit or loss:				
8311	Remeasurement of defined benefit plans	12,225	-	28,835	-
8316	Unrealized gain (loss) on investments in equity instruments measured at fair value through other comprehensive income	5,287	-	(135,990)	(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	(3,781)	-	(30,160)	-
8330	Shares of other comprehensive incomes (losses) in associates accounted for under the equity method - remeasurement of defined benefit plans	774	-	4,398	-
8349	Income tax related to items that will not be reclassified to profit or loss	(2,445)	-	(5,767)	-
		<u>12,060</u>	<u>-</u>	<u>(138,684)</u>	<u>(1)</u>

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Code		2025		2024	
		Amount	%	Amount	%
8360	Items that may be reclassified to profit or loss:				
8361	Exchange Differences on Translating the Financial Statements of Foreign Operations	(\$ 62,426)	(1)	\$ 160,116	1
8371	Share of the other comprehensive income of associates accounted for using equity method - exchange differences on translation of foreign financial statements	(31)	-	2,734	-
8390	Income tax relating to items that may be reclassified to profit or loss	<u>12,485</u>	<u>-</u>	<u>(32,023)</u>	<u>-</u>
		<u>(49,972)</u>	<u>(1)</u>	<u>130,827</u>	<u>1</u>
8300	Other comprehensive incomes (losses) for the year (net of income tax)	<u>(37,912)</u>	<u>(1)</u>	<u>(7,857)</u>	<u>-</u>
8500	Total comprehensive income for the year	<u>(\$ 465,283)</u>	<u>(5)</u>	<u>(\$ 230,869)</u>	<u>(2)</u>
	Loss per share (Note 25)				
9710	Basic	<u>(\$ 1.07)</u>		<u>(\$ 0.56)</u>	
9810	Diluted	<u>(\$ 1.07)</u>		<u>(\$ 0.56)</u>	

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Taita Chemical Company Ltd.
Parent Company Only Statements of Changes in Equity
January 1 to December 31, 2025 and 2024

Unit: NT\$ 1,000

Code		Share capital (Note 21)		Capital surplus (Notes 12 and 21)			Retained earnings (Notes 20 and 21)				Other equity (Notes 12 and 21)			
		Share (in thousands of shares)	Amount	Long-term equity investment	Other capital surplus	Total	Legal reserve	Special reserve	Unappropriated earnings	Total	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized gain (loss) on financial assets measured at fair value through other comprehensive income	Total	Total equity
A1	Balance as of January 1, 2024	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
B5	Appropriation of 2023 earnings													
	Cash dividends to shareholders	-	-	-	-	-	-	-	(119,276)	(119,276)	-	-	-	(119,276)
T1	Changes in capital surplus	-	-	41	-	41	-	-	-	-	-	-	-	41
D1	Net loss for 2024	-	-	-	-	-	-	-	(223,012)	(223,012)	-	-	-	(223,012)
D3	Other comprehensive incomes after tax for the year 2024	-	-	-	-	-	-	-	27,466	27,466	130,827	(166,150)	(35,323)	(7,857)
D5	Total comprehensive income for the year 2024	-	-	-	-	-	-	-	(195,546)	(195,546)	130,827	(166,150)	(35,323)	(230,869)
Z1	Balance at December 31, 2024	397,587	3,975,868	2,803	439	3,242	502,038	308,061	1,430,917	2,241,016	(22,187)	99,948	77,761	6,297,887
B5	Appropriation of 2024 earnings													
	Cash dividends to shareholders	-	-	-	-	-	-	-	(79,517)	(79,517)	-	-	-	(79,517)
T1	Changes in capital surplus	-	-	21	691	712	-	-	-	-	-	-	-	712
D1	Net loss for 2025	-	-	-	-	-	-	-	(427,371)	(427,371)	-	-	-	(427,371)
D3	Other comprehensive incomes after tax for the year 2025	-	-	-	-	-	-	-	10,554	10,554	(49,972)	1,506	(48,466)	(37,912)
D5	Total comprehensive income for the year 2025	-	-	-	-	-	-	-	(416,817)	(416,817)	(49,972)	1,506	(48,466)	(465,283)
Z1	Balance at December 31, 2025	397,587	\$ 3,975,868	\$ 2,824	\$ 1,130	\$ 3,954	\$ 502,038	\$ 308,061	\$ 934,583	\$ 1,744,682	(\$ 72,159)	\$ 101,454	\$ 29,295	\$ 5,753,799

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

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Taita Chemical Company Ltd.

Parent Company Only Statements of Cash Flows January 1 to December 31, 2025 and 2024

Unit: NT\$ 1,000

Code		2025	2024
	Cash flows from operating activities		
A10000	Net loss before income tax for the year	(\$ 519,909)	(\$ 281,676)
A20010	Income, expenses, and losses items:		
A20100	Depreciation expenses	175,588	172,365
A20200	Amortization expenses	-	498
A20300	Expected credit impairment losses (reversal gains)	(58)	427
A20400	Net loss on financial assets and liabilities measured at fair value through profit or loss	21,264	2,915
A20900	Financial costs	41,439	39,227
A21200	Interest income	(7,595)	(12,955)
A21300	Dividend income	(5,022)	(8,286)
A22300	Shares of profit (loss) in subsidiaries and associates accounted for under the equity method	29,165	(75,609)
A22500	Loss on disposal of property, plant and equipment	-	97
A23700	Allowance for inventory valuation and obsolescence loss (reversal gain)	8,767	(15,890)
A29900	Recognition of refund liabilities	8,640	8,649
A30000	Changes in operating assets and liabilities		
A31115	Financial assets measured at fair value through profit or loss	266,484	(262,743)
A31130	Notes receivable	12,367	(2,974)
A31150	Accounts receivable	410,963	(292,506)
A31160	Accounts receivable from related parties	8,258	(4,060)
A31180	Other receivables	15,341	(13,759)
A31190	Other receivables from related parties	13,753	(15,710)
A31200	Inventories	227,622	(50,533)
A31230	Prepayments and other current assets	10,413	(7,553)
A32150	Accounts payable	(271,700)	152,269
A32160	Accounts payable to related parties	(5)	30
A32180	Other payables	(29,229)	58,115
A32190	Other payables to related parties	(3,300)	1,691

(Continued on the next page)

(Continued from the previous page)

Code		2025	2024
A32230	Other current liabilities	(\$ 16,209)	\$ 6,543
A32240	Net defined benefit liability	(15,430)	(15,700)
A33000	Net cash inflow (outflow) from operating activities	381,607	(617,128)
A33100	Interest received	7,954	12,576
A33300	Interest paid	(41,563)	(38,716)
A33500	Income tax refund (paid)	4,531	(1,313)
AAAA	Net cash inflow (outflow) from operating activities	<u>352,529</u>	<u>(644,581)</u>
	Cash flows from investing activities		
B00040	Acquisition of financial assets measured at amortized cost	(5,000)	(3,000)
B00050	Disposal of financial assets measured at amortized cost	3,000	13,000
B02700	Acquisition of property, plant and equipment	(153,917)	(170,252)
B02800	Disposal of property, plant, and equipment	-	215
B03700	Increase in refundable deposits	(18,475)	(15,670)
B03800	Decrease in refundable deposits	34,866	88
B06700	Increase in other non-current assets	(5,139)	-
B07600	Dividends received	6,749	12,316
BBBB	Net cash flow used in investing activities	<u>(137,916)</u>	<u>(163,303)</u>
	Cash flows from financing activities		
C00100	Increase (decrease) in short-term borrowings	(550,000)	1,015,000
C00500	Increase in short-term notes and bills payable	99,831	-
C01600	Proceeds from long-term borrowings	150,000	-
C03000	Increase in deposits received	686	386
C04020	Repayments of the principal portion of lease liabilities	(4,717)	(4,665)
C04500	Payments of cash dividends	(79,517)	(119,276)
C04400	Refund of unclaimed overdue cash dividends	119	1,067
CCCC	Net cash inflow (outflow) from financing activities	<u>(383,598)</u>	<u>892,512</u>
EEEE	Cash and cash equivalents (decrease) increase for the current year	(168,985)	84,628
E00100	Cash and cash equivalents at the beginning of period	<u>521,524</u>	<u>436,896</u>
E00200	Cash and cash equivalents at the end of period	<u>\$ 352,539</u>	<u>\$ 521,524</u>

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Ratification Items :

Proposal 2

Proposed by the Board

To ratify 2025 Earnings Distribution.

- Description: 1. In 2025, net loss for the year plus the loss amount of items other than net loss for the year but included in current unappropriated earning is NT\$416,818,277. After adding the beginning unappropriated earnings of NT\$1,351,399,651, by the end of 2025 the accumulated distributable earnings is NT\$ 934,581,374 and will be distributed cash dividend NT\$59,638,027, i.e. NT\$0.15 per share. The unappropriated earnings after distribution will be NT\$874,943,347.
2. Please refer to next page, “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

2025 Profit Distribution Table

	Expressed in NTD
Net loss before tax of 2025	(519,909,692)
Add: Tax expense	92,538,220
Net loss of 2025	(427,371,472)
Add: Retained earnings adjusted for the defined benefit plan after re-measurement	9,779,721
Add: Retained earnings adjusted for investments made under the equity method	773,474
Net loss for the year plus the loss amount of items other than net loss for the year but included in current unappropriated earning	(416,818,277)
Add: Beginning unappropriated earnings	1,351,399,651
Accumulated distributable earnings at the end of 2025	934,581,374
Distributable items:	
(total issued shares: 397,586,848)	
Cash dividend: 0.15/share	59,638,027
Total amount of distribution	59,638,027
Unappropriated earnings at the end of 2025 transferred to the next year	874,943,347

Chairman : Wu, Yih-Guei

President : Wu, Pei-Chi

Chief Accounting Office : Li, Chun-Yao

III. Discussion Items :

Proposal 1

Proposed by the Board

To approve the amendment to the Operating Procedure for Acquisition or Disposition of Assets.

Description : 1. Part of the “Operating Procedure for Acquisition or Disposition of Assets” is amended based on the company's actual operational needs and relevant laws and regulations.

2. The amendment to the “Operating Procedure for Acquisition or Disposition of Assets” is shown in the next page.

Resolution :

Taita Chemical Company, Limited

The Amendment to the

” Operating Procedure for Acquisition or Disposition of Assets”

After amendment	Before amendment	Description
<p>Article 8: Operating Procedure for Acquisition or Disposition of Real Property 、 Equipment or its right-of-use assets.</p> <p>I. (omitted)</p> <p>II. Procedure for determining trading terms and authorized limit.</p> <p>(I) Acquisition or disposition of real estate or its right-of-use assets shall take into consideration announced current value, appraised value, and trading value of neighboring real estate. An analysis report shall be submitted to the Chairman of Board after trading terms and trading value are decided.</p> <p>(II) Acquisition or disposition of equipment or its right-of-use assets shall be carried out in the form of price inquiry, price comparison, price negotiation or tender invitation.</p> <p>(III) <u>For the acquisition or disposition of real property, equipment or its right-of-use assets, in the case of value less than NT\$300 million, it shall be subject to approval by level of authority pursuant to authorization rules; in the case of value being NT\$300 million or more and NT500 million or less, the Chairman of Board is authorized to approve first and report to the latest Board of</u></p>	<p>Article 8: Operating Procedure for Acquisition or Disposition of Real Property 、 Equipment or its right-of-use assets.</p> <p>I. (omitted)</p> <p>II. Procedure for determining trading terms and authorized limit.</p> <p>(I) Acquisition or disposition of real estate or its right-of-use assets shall take into consideration announced current value, appraised value, and trading value of neighboring real estate. An analysis report shall be submitted to the Chairman of Board after trading terms and trading value are decided. <u>In the case of value less than NT\$500 million (inclusive), the acquisition or disposition shall be subject to approval by the Chairman of Board for approval and reported at the latest Board of Directors’ meeting. In the case of value more than NT\$500 million, the acquisition or disposition shall be subject to approval of the Board of Directors upon resolution in advance.</u></p> <p>(II) Acquisition or disposition of equipment or its right-of-use assets shall be carried out in the form of price inquiry, price comparison, price negotiation or tender invitation. <u>Acquisition or</u></p>	<p>Amended in accordance with actual operational requirements.</p>

<p><u>Directors' meeting; in the case of value more than NT500 million, it shall be subject to the approval of the Board of Directors upon resolution in advance.</u> (the rest omitted)</p>	<p><u>disposition of equipment valuing less than NT\$500 million (inclusive) shall be subject to approval by level of authority pursuant to authorization rules.</u> <u>Acquisition or disposition of equipment more than NT\$500 million shall be subject to approval by the Chairman of Board, and by the Board of Directors upon resolution in advance.</u> (the rest omitted)</p>	
<p>Article 9: Operating Procedure for Acquisition or Disposition of Investment in Marketable Securities. I. (omitted) II. Procedure for determining trading terms and authorized limit. (I)~(II) (omitted) The long-term investment in marketable securities referred to in the preceding subparagraphs shall be approved by the Chairman of Board on a case-by-case basis. <u>In the case of value per transaction being NT\$300 million or more and NT\$500 million or less, the Chairman of Board is authorized to approve first and report at the latest Board of Directors' meeting; in the case of value more than NT\$500 million, it shall be subject to approval of the Board of Directors upon resolution in advance.</u> III. (omitted)</p>	<p>Article 9: Operating Procedure for Acquisition or Disposition of Investment in Marketable Securities. I. (omitted) II. Procedure for determining trading terms and authorized limit. (I)~(II) (omitted) The long-term investment in marketable securities referred to in the preceding subparagraphs shall be approved by the Chairman of Board on a case-by-case basis. <u>The dollar amount of the investment is more than NT\$300 million and less than NT\$500 million shall be reported to the latest Board of Directors' meeting, while the investment more than NT\$500 million shall be subject to approval in advance by the Board of Directors upon resolution.</u> III. (omitted)</p>	<p>Amended in accordance with actual operational requirements.</p>
<p>Article 11: Operating Procedure for Acquisition or Disposition of Intangible Assets or the right-of-use</p>	<p>Article 11: Operating Procedure for Acquisition or Disposition of Intangible Assets or the right-of-use</p>	<p>Amended in accordance with the</p>

<p>assets or Memberships. I. (omitted) II. Procedure for determining trading terms and authorized limit To be based on the Operating Procedure for Acquisition or Disposition of Equipment <u>or its right-of-use assets.</u></p> <p>Article 12:Operating Procedure for Acquisition or Disposition of Derivatives. I.Trading Principle and Policy (I)~(II) (omitted) (III) Division of authority and responsibility. 1. (omitted) 2.Financial Dept. (1)Trading personnel A. <u>Shall keep abreast of foreign exchange market information, judge trends and risks, and be familiar with financial products, rules and regulations to provide sufficient information for management's reference; and shall manage foreign exchange positions under the instruction and authorization of the Treasurer, and hedge against foreign exchange risks in accordance with Company policies.</u> B. <u>To be responsible for researching and drafting the derivatives trading strategies throughout the Company.</u> C. (omitted) D. (omitted) E. (omitted) (the rest omitted)</p>	<p>assets or Memberships. I. (omitted) II. Procedure for determining trading terms and authorized limit To be based on the Operating Procedure for Acquisition or Disposition of Equipment.</p> <p>Article 12:Operating Procedure for Acquisition or Disposition of Derivatives. I.Trading Principle and Policy (I)~(II) (omitted) (III) Division of authority and responsibility. 1.(omitted) 2.Financial Dept. (1)Trading personnel A. <u>To be responsible for researching and drafting the derivatives trading strategies throughout the Company.</u> B. <u>The trading personnel shall calculate the positions, collect market information, judge trends and evaluate risk once per two (2) weeks to research and draft operating strategies, which shall serve to be the basis for transactions after being approved subject to the level of authority.</u> C. (omitted) D. (omitted) E. (omitted) (the rest omitted)</p>	<p>'Regulations Governing the Acquisition and Disposition of Assets by Public Companies'. Amended in accordance with actual operational requirements.</p>
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<p>II.Risk management policies (I)Credit risk management <u>Trading counterparts shall be limited to financial institutions that have business dealings with the Company and can provide professional information.</u></p> <p>(II)~(III) (omitted) (IV) Cash flow risk management. <u>The Company shall maintain sufficient quick assets and financing limits to meet the funding needs for settlement.</u> (the rest omitted)</p>	<p>II.Risk management policies (I)Credit risk management <u>Considering that risk over operation of derivatives might arise due to changes of various factors in the market, the market risk shall be managed in the following manners:</u></p> <ol style="list-style-type: none"> 1. <u>Trading counterpart: Primarily domestic/foreign renowned financial institutions.</u> 2. <u>Trading product: Limited to the products provided by domestic/foreign renowned financial institutions.</u> 3. <u>Trading value: The value of transactions with the same trading counterpart which have not yet been offset shall be no more than 30% of the total authorized limit, unless with approval from the Chairman of Board.</u> <p>(II)~(III) (omitted) (IV) Cash flow risk management. <u>In order to ensure stability of the Company's working fund, the Company's source of fund for trading derivatives shall be limited to its own fund, and the operating amount shall take into consideration the funding need for cash income and expenditure forecast for future six (6) months.</u> (the rest omitted)</p>	
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Discussion Items :

Proposal 2

Proposed by the Board

To approve the release of non-competition restrictions on directors.

Description : 1. Referring to Article 209 of the Company Act, “A director, who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.”

2. The companies for which Independent Director Chen, Tyan-Wen engage in business within the scope of business of the Company are tabulated below. Without harming the interest of the Company, it is proposed to allow this act in accordance with the Company Act.

Concurrent Employers	Title
Bionet Corporation (Bionet Corp.)	Independent Director
Test Rite Retail Co., Ltd.	Director

3. Please vote.

Resolution :

IV. Extemporaneous Motions

V. 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.

The compensation percentage to the non-executive employees shall be no less than 40% of the total amount of employee compensation as mentioned in the preceding paragraph.

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) 56th amendments hereto were made on May 28, 2025.

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

Appendix 3

Taita Chemical Company, Limited

Operating Procedure for Acquisition or Disposition of Assets (Before Amendment)

Amended on May 27, 2022

- Article 1: Purpose
The Operating Procedure is established in order to protect assets and fulfill the information disclosure.
- Article 2: Legal basis
The Operating Procedure is adopted in accordance with the provisions of Article 36-1 of the Securities and Exchange Act (hereinafter referred to as “the Act”) and “Regulations Governing the Acquisition and Disposition of Assets by Public Companies”.
- Article 3: Scope of assets
- I. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depository receipts, call (put) warrants, beneficial interest securities, and asset-backed securities, et al.
 - II. Real property (including land, houses and buildings, investment property and rights to use land) and equipment.
 - III. Memberships.
 - IV. Such intangible assets as patents, copyrights, trademarks, and franchise rights.
 - V. Right-of-use assets
 - VI. Derivatives.
 - VII. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.
 - VIII. Other substantial assets.
- Article 4: Definitions:
- I. Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term “forward contracts” does not include

- insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, and long-term purchase (sales) agreements.
- II. Assets acquired or disposed of through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Assets acquired or disposed of through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act or other laws, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter referred to as the “transfer of shares”) under Paragraph 8 of Article 156 of the Company Act.
 - III. Stakeholder or subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
 - IV. Professional appraiser: A real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.
 - V. Date of occurrence: Contracting date, date of payment, date of consignment trade, date of transfer, dates of boards of directors’ resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.
 - VI. Mainland China area investment: Investments in Mainland China approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in Mainland China.
 - VII. Over-the-counter venue (“OTC venue,” “OTC”): “Domestic OTC venue” refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; “foreign OTC venue” refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct a securities business.
 - VIII. The “latest financial statements” referred to herein shall mean the financial statements certified or audited by an external independent auditor as disclosed by the company in the most recent period before acquisition or disposition of assets.
 - IX. For the calculation of 10 percent of total assets herein, the total assets stated in the latest individual or separate financial statements prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used.
 - X. In the case of a company whose shares have no par value or a par value

other than NT\$10, trading values of 20 percent of paid-in capital shall be substituted by 10 percent of equity attributable to owners of the parent.

Article 5: Limit of investment in real property for non-operating purpose and its right-of-use assets and marketable securities

Limit on said assets acquired by the Company and each subsidiary is set as following:

- (I) Total investment in real property for non-operating purpose or its right-of-use assets shall be no more than 20% of the Company's net value, and 100% of net value of the Company's subsidiary. (No more than 150% of net value of the Company's investment purpose subsidiary, if any.)
- (II) Total investment in marketable securities shall be no more than 200% of the Company's net value, and investment in production and sale of any products other than petrochemical products no more than 100% of the Company's net value. Total investment by a subsidiary shall be no more than 150% of the Company's net value, including investments in production and the sale of any products other than petrochemical products for no more than 100% of the Company's net value. (No more than 150% of the Company's net value, in the case of investment purpose subsidiary.)
- (III) Total investment in individual securities of a subsidiary in which the Company holds more than 50% (inclusive) of its shares shall be no more than 150% of the Company's net value, while total investment in individual securities of a subsidiary in which the Company holds less than 50% of its shares shall be no more than 100% of the Company's net value. Total investment in individual securities of an indirect subsidiary in which the subsidiary holds more than 50% (inclusive) of its shares shall be no more than 200% of the subsidiary's net value, while total investment in individual securities of an indirect subsidiary in which the subsidiary holds less than 50% of its shares shall be no more than 150% of the subsidiary's net value. (No more than 200% of net value of the investment purpose subsidiary, if any.)

Article 6: Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall comply with the following requirements:

- I. May not have previously received a final and non-appealable sentence of imprisonment for 1 year or longer for a violation of the Securities and Exchange Act, the Company Act, the Banking Act of The Republic of China,

the Insurance Act, the Financial Holding Company Act or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents or occupational crime. However, this provision does not apply if three years have already passed since the completion of service of the sentence, since the expiration of the period of a suspended sentence or since a pardon has been received.

- II. May not be a related party or de facto related party of any party to the transaction.
- III. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.

When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-discipline regulations of their own business associations and the following:

- I. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience and independence.
- II. When executing a case, they shall appropriately plan and execute the adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected and conclusion shall be fully and accurately specified in the case working papers.
- III. They shall undertake an item-by-item evaluation of the suitability and fairness of the sources of data used, the parameters and the information, as the basis for issuance of the appraisal report or the opinion.
- IV. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is the suitability and reasonable, and that they have complied with the applicable laws and regulations.

Article 7: Where the Company acquires or disposes of assets through court auction procedures, the documentary evidence issued by the court may substitute the appraisal report or CPA opinion.

Article 8: Operating Procedure for Acquisition or Disposition of Real Property、Equipment or its right-of-use assets

- I. Evaluating and operating procedure
The Company's acquisition or disposition of real estate and equipment or its right-of-use assets shall follow the real estate, plant and equipment circulation procedure under the Company's internal control

system.

II. Procedure for determining trading terms and authorized limit

(I) Acquisition or disposition of real estate or its right-of-use assets shall take into consideration announced current value, appraised value, and trading value of neighboring real estate. An analysis report shall be submitted to the Chairman of Board after trading terms and trading value are decided. In the case of value less than NT\$500 million (inclusive), the acquisition or disposition shall be subject to approval by the Chairman of Board for approval and reported at the latest Board of Directors' meeting. In the case of value more than NT\$500 million, the acquisition or disposition shall be subject to approval of the Board of Directors upon resolution in advance.

(II) Acquisition or disposition of equipment or its right-of-use assets shall be carried out in the form of price inquiry, price comparison, price negotiation or tender invitation. Acquisition or disposition of equipment valuing less than NT\$500 million (inclusive) shall be subject to approval by level of authority pursuant to authorization rules. Acquisition or disposition of equipment more than NT\$500 million shall be subject to approval by the Chairman of Board, and by the Board of Directors upon resolution in advance.

III. Execution unit

The Company's acquisition or disposition of real estate or equipment or its right-of-use assets shall be subject to approval by the level of authority referred to in the preceding paragraph, and completed by the requesting department and responsible unit.

IV. Real estate or equipment appraisal report

In acquiring or disposing of real property or equipment or its right-of-use assets where the trading value reaches 20 percent of the Company's paid-in capital or NT\$300 million or more (the trading value shall be calculated in the manner referred to in Paragraph 1 (5) of Article 15 herein. "Within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the trading value), the Company, unless transacting with a government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or its right-of-use assets for operating purpose, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser (the items to be noted in the appraisal report are identified in the appraisal

report) and shall further comply with the following provisions:

- (I) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the trading value, the transaction shall be submitted for approval in advance by the board of directors, and the same procedure shall be followed for any future changes to the trading terms.
- (II) Where the trading value is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.
- (III) Where the professional appraiser's appraisal results meet any one of the following circumstances, unless all the appraisal results for the assets to be acquired are higher than the trading value, or all the appraisal results for the assets to be disposed of are lower than the trading value, a certified public accountant shall be engaged to render a specific opinion regarding the reasons for the discrepancies and the appropriateness of the trading value:
 - 1. The discrepancy between the appraisal result and the trading value is 20 percent or more of the trading value.
 - 2. The discrepancy between the appraisal results of two (2) or more professional appraisers is ten (10) percent or more of the trading value.
- (IV) No more than three (3) months may elapse between the date of the appraisal report issued by a professional appraiser and the contracting date; provided, where the publicly announced current value for the same period applies and not more than six (6) months have elapsed, an opinion may still be issued by the original professional appraiser.

Article 9: Operating Procedure for Acquisition or Disposition of Investment in Marketable Securities

- I. Evaluating and operating procedure
The Company's purchase and sale of marketable securities shall follow the investment circulation procedure under the Company's internal control system.
- II. Procedure for determining trading terms and authorized limit
 - (I) Responsible unit shall carry out the transaction of marketable securities traded in the Stock Exchange Market or a securities firm's business place within the limit authorized by the Board of Directors after judging the market condition.
 - (II) In acquiring or disposing of marketable securities, the Company shall, prior to the date of occurrence of the event, obtain

financial statements of the object company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the trading value, and if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more (the trading value shall be calculated in the manner referred to in Paragraph 1 (7) of Article 15 herein. "Within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the trading value), the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the trading value. Notwithstanding, this requirement does not apply to public quotation of the marketable securities in an active market, or not apply where otherwise prescribed by the competent securities authority.

The long-term investment in marketable securities referred to in the preceding subparagraphs shall be approved by the Chairman of Board on a case-by-case basis. The dollar amount of the investment is more than NT\$300 million and less than NT\$500 million shall be reported to the latest Board of Directors' meeting, while the investment more than NT\$500 million shall be subject to approval in advance by the Board of Directors upon resolution.

III. Execution unit

The Company's investment in marketable securities shall be subject to approval by the level of authority referred to in the preceding paragraph, and completed by Financial Dept.

Article 10: Operating procedure for dealing with transactions with stakeholders

- I. When the Company engages in any acquisition or disposition of assets from or to a stakeholder, in addition to adopting the procedures referred to in Article 8, Article 9 and Article 11 herein, the Company shall also ensure that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised according to the following requirement. That is, if the trading value reaches 10 percent or more of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions herein. When judging whether a trading counterpart is a stakeholder, in addition to legal formalities, the substance of the relationship shall also be considered.

II. Evaluating and operating procedure

(I) When the Company intends to acquire or dispose of real property or its right-of-use assets from or to a stakeholder, or when it intends to acquire or dispose of assets other than real property or its right-of-use assets from or to a stakeholder and the trading value reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the majority of Audit Committee and passed by the board of directors :

1. The purpose, necessity and anticipated benefit of acquisition or disposition of assets.
2. The reason for choosing the stakeholder as a trading counterpart.
3. With respect to the acquisition of real property or its right-of-use assets from a stakeholder, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Paragraph 3 herein.
4. The date and price at which the stakeholder originally acquired the real property, the original trading counterpart, and that trading counterpart's relationship with the Company and the stakeholder.
5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.
6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.
7. Restrictive covenants and other important stipulations associated with the transaction.

(II) By meeting the standard stated in the previous subparagraph, acquisition or disposition of equipment valuing less than NT\$500 million between the Company and the parent company, between subsidiaries, or between this Company and a subsidiary wholly owned, either directly or indirectly, by this Company shall be decided by the Chairman of Board, and then

submitted to the latest Board of Directors' meeting for recognition. Acquisition or disposition of equipment more than NT\$500 million shall be subject to approval by the Board of Directors upon resolution at first.

1. Acquisition or disposal of equipment or its right-of-use assets for business operations.
 2. Acquisition or disposal of real property right-of-use assets for business operations.
- (III) When engaging in a transaction stated in subparagraph (I) of the preceding paragraph with an amount exceeding 10% of the Company's total assets, this Company or a subsidiary not publicly offered domestically shall submit all data as stated in subparagraph (I) to the meeting of shareholders to apply for approval before concluding the transaction contract or making the payment, except for transactions between this Company and the parent company, this Company and a subsidiary, or among subsidiaries.

The transaction amounts as stated in subparagraphs (I) and (III) shall be calculated according to Article 15, paragraph 1, subparagraph (VII); and "within the preceding year" as claimed in these Procedures refers to the year preceding the date of occurrence of the current transaction. The sections approved by the meeting of shareholders or the Board according to these Procedures shall be exempted from the calculation.

III. Evaluation on reasonableness of transaction costs

- (I) Acquiring real property or its right-of-use assets from a stakeholder, the Company shall evaluate the reasonableness of the transaction costs in the following manners:
1. Based upon the stakeholder's trading value plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the Company purchases the property, provided that it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.
 2. Total loan value appraisal from a financial institution where the stakeholder has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the

loan shall have been one (1) year or more. However, this shall not apply where the financial institution is a stakeholder of one of the trading counterparts.

- (II) Where land and structures thereupon are combined as a single property purchased or leased in one (1) transaction, the transaction costs for the land and the structures may be separately appraised in any of the manners referred to in the preceding paragraph.
- (III) When acquiring real property or its right-of-use assets from a stakeholder and appraising the cost of the real property or its right-of-use assets in accordance with Subparagraph (I) and Subparagraph (II) shall also engage a CPA to check the appraisal and render a specific opinion.
- (IV) When the results of the Company's appraisal conducted in accordance with Subparagraph (I) and Subparagraph (II) are uniformly lower than the trading value, Subparagraph (V) shall apply. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:
 - 1. Where the stakeholder acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:
 - (1) Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the stakeholder's construction cost plus reasonable construction profit are valued in excess of the actual trading value. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the stakeholder's construction division over the most recent three (3) years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.
 - (2) Completed transactions by any persons other than stakeholders within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price or lease discrepancies in floor or area land prices in accordance with standard property

market practices.

2. Where the Company provides evidence that the terms of the transaction for acquisition of real estate or the right-of-use assets acquired by lease from a stakeholder are similar to the terms of transactions completed for the acquisition of neighboring or closely valued parcels of land of a similar size by any persons other than stakeholders within the preceding year. The completed transactions for neighboring or closely valued parcels of land referred to in the preceding paragraph in principle refer to the parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value. The transaction for similarly sized parcels in principle refers to the transaction completed by any persons other than stakeholders for parcels with a land area of no less than 50 percent of the property in the planned transaction. The “within the preceding year” refers to the year preceding the date of occurrence of the acquisition of the real property or the right-of-use assets.

(V) When the results of the Company’s appraisal conducted in accordance with Subparagraph (I) and Subparagraph (II) are uniformly lower than the trading value, the following requirements shall apply.

1. A special reserve shall be set aside in accordance with Paragraph 1 of Article 41 of the Act against the difference between the real property or the right-of-use assets trading value and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares.
2. Audit Committee shall comply with Article 218 of the Company Act.
3. Actions taken pursuant to Item 1 and Item 2 of this subparagraph shall be reported to a shareholders’ meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.

Where the Company has set aside a special reserve under the preceding paragraph may not utilize the special reserve until it has recognized a loss on decline in market value or termination of lease of the assets it purchased or lease at a premium; or they have been disposed of; or adequate compensation has been made; or the status quo ante has been restored; or there is other evidence confirming that there was nothing unreasonable about

the transaction, and the competent securities authority has given its consent.

(VI) Where the Company acquires real property or the right-of-use assets from a stakeholder and one of the following circumstances exists, the acquisition shall be conducted in accordance with the evaluation and operating procedure referred to in Paragraph 2 of this Article, while the evaluation on reasonableness of transaction costs requirements referred to in Subparagraphs (I), (II) and (III) of this paragraph shall not apply:

1. The stakeholder acquired the real property or the right-of-use assets through inheritance or as a gift.
2. More than five (5) years will have elapsed from the time the stakeholder signs the contract to obtain the real property or the right-of-use assets to the signing date for the current transaction.
3. The real property is acquired through signing of a joint development contract with the stakeholder, or through engaging a stakeholder to build real property, either on the Company's own land or on rented land.
4. The rights-of-use of the real property for business use are acquired by and between this Company and the parent company, between subsidiaries, or between this Company and a subsidiary wholly owned, either directly or indirectly, by this Company.

(VII) When the Company obtains real property or the right-of-use assets from a stakeholder, it shall also comply with the Subparagraph (V) if there is other evidence indicating that the acquisition is not an arm's length transaction.

Article 11: Operating Procedure for Acquisition or Disposition of Intangible Assets or the right-of-use assets or Memberships

I. Evaluating and operating procedure

The Company's acquisition or disposition of Intangible Assets or the right-of-use assets or Memberships shall follow the real estate, plant and equipment circulation procedure under the Company's internal control system.

II. Procedure for determining trading terms and authorized limit

To be based on the Operating Procedure for Acquisition or Disposition of Equipment.

III. Execution unit

The Company's acquisition or disposition of Intangible Assets or the

right-of-use assets or Memberships shall be subject to approval by the level of authority referred to in the preceding paragraph, and completed by the requesting department or administrative department.

IV. Expert's Evaluation Report on Intangible Assets or the right-of-use assets or Memberships

Where the Company acquires or disposes of Intangible Assets or the right-of-use assets or Memberships and the trading value reaches 20 percent or more of paid-in capital or NT\$300 million or more (the trading value shall be calculated in the manner referred to in Paragraph 1 (7) of Article 15 herein. "Within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a CPA's opinion has been obtained need not be counted toward the trading value), except in transactions with a government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the trading value.

Article 12: Operating Procedure for Acquisition or Disposition of Derivatives

I. Trading Principle and Policy

(I) Types of transaction

1. The derivatives which the Company is engaged in means the trading contracts (exclusively mean the forward contracts, options contracts, interest rate or foreign exchange rate contracts, swap contracts, and compound contracts combining the above products), whose value is derived from assets, interest rates, foreign exchange rates, or other interests. Any transaction involving other major derivatives shall be approved by a majority of all Audit Committee members and submitted to the Board of Directors for a resolution in advance.
2. The Operating Procedure shall not apply to repurchase agreement (RP), if any.

(II) Business strategies

1. For non-operating purpose:
In order to hedge against risk, it is advisable to choose the trading products capable of hedging against the risk derived from the Company's business.
2. For operating purpose:
Subject to flexibility and mobility.

(III) Division of authority and responsibility

1. Procurement Dept. and Business Dept.

To provide the foreign exchange positions for next three (3) months and related documents by 25th day of each month to help Financial Dept. calculate the Company's overall foreign exchange positions.

2. Financial Dept.

(1) Trading personnel

- A. To be responsible for researching and drafting the derivatives trading strategies throughout the Company.
- B. The trading personnel shall calculate the positions, collect market information, judge trends and evaluate risk once per two (2) weeks to research and draft operating strategies, which shall serve to be the basis for transactions after being approved subject to the level of authority.
- C. To execute transactions per the level of authority and existing strategies.
- D. Where the trading personnel determine that the existing strategies shall not apply any longer due to material changes in the financial market, the trading personnel shall provide their evaluation report at any time and re-draft strategies, which shall serve to be the basis for transactions after being approved by Treasurer.
- E. To make evaluation per month and submit the evaluation report to Treasurer.

(2) Personnel dedicated to settlement: To perform the function of settlement.

3. Accounting personnel

- (1) To execute confirmation of transactions.
- (2) To review whether transactions are conducted per the level of authority and existing strategies.
- (3) Accounting.
- (4) To make declaration and disclosure per the competent securities authority's requirements.

4. Level of authority and authorized limit for derivatives transactions

(1) Transaction:

Level of authority engaged in the transaction	Authorized limit per transaction
Authorized trading personnel	Less than US\$1 million
Financial Dept. managers	Less than US\$5 million
President	Less than US\$10 million
Chairman of Board	Exceed US\$10 million

(2) Approval of transactions:

Level of authority approving the transaction	Authorized limit per transaction
Financial Dept. managers	Less than US\$5 million
President	Less than US\$10 million
Chairman of Board	Exceed US\$10 million

5. Performance evaluation

- (1) Accounting Dept. shall be responsible for providing Financial Dept. with the summary report on the Company's stated foreign exchange rate, interest rate cost and income generated from derivatives transactions.
- (2) In order to completely control and express the evaluation risk over transactions, the Company evaluates the income through monthly statement.
- (3) Financial Dept. shall provide Treasurer with such information as evaluation on foreign exchange positions, foreign exchange market trends and market analysis for reference.

6. Definition of total contract amount and maximum loss limit

(1) Total contract amount

A. Limit for non-operating purpose

a. Foreign exchange rate hedging

Financial Dept. shall control the Company's entire positions to evade trading risk. Total authorized trading value shall be no more than the receivables/payables already held and

expected to be generated from the Company's business or net positions after offset of assets and liabilities.

- b. Any hedges other than foreign exchange rate

Financial Dept. shall be no more than the position exposed by the Company to the given risk.

- B. Limit for operating purpose

The total amount of any contract shall be no more than 10% of the net value referred to in the Company's financial statements for the last quarter of the most recent fiscal year.

- (2) Definition of maximum loss limit

- A. For non-trading purpose: Limits on aggregate losses or losses on individual contracts are 15% of the total contract amount or individual contract amount.

- B. For trading purpose: Limits on aggregate losses or losses on individual contracts are 15% of the total contract amount or individual contract amount.

II. Risk management policies

(I) Credit risk management

Considering that risk over operation of derivatives might arise due to changes of various factors in the market, the market risk shall be managed in the following manners:

1. Trading counterpart: Primarily domestic/foreign renowned financial institutions.
2. Trading product: Limited to the products provided by domestic/foreign renowned financial institutions.
3. Trading value: The value of transactions with the same trading counterpart which have not yet been offset shall be no more than 30% of the total authorized limit, unless with approval from the Chairman of Board.

(II) Market risk management

To be primarily the public foreign exchange market provided by banks, excluding futures market for the time being.

(III) Liquidity risk management

In order to ensure the market liquidity, the Company selects the derivatives with high liquidity primarily (to be offset on the market from time to time). The financial institution

commissioned to engage in trading shall have sufficient information and ability to engage in trading in any market at any time.

(IV) Cash flow risk management

In order to ensure stability of the Company's working fund, the Company's source of fund for trading derivatives shall be limited to its own fund, and the operating amount shall take into consideration the funding need for cash income and expenditure forecast for future six (6) months.

(V) Operating risk management

1. To strictly comply with the Company's authorized limit and operating procedures, and include internal audit to avoid operating risk.
2. Personnel engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement.
3. Risk measurement, monitoring, and control personnel shall be assigned to a different department than the personnel in the preceding subparagraph and shall report to the Board of Directors or senior management personnel with no responsibility for trading or position decision-making.
4. Derivatives trading positions held shall be evaluated at least once per week; however, positions for hedge trades required by business shall be evaluated at least twice per month. Evaluation reports shall be submitted to senior management personnel authorized by the Board of Directors.

(VI) Commodity risk management

Internal personnel dedicated to trading shall have complete and correct knowledge about derivatives and demand that banks should make full risk disclosure to avoid the risk over misuse of derivatives.

(VII) Legal risk management

Documents to be signed with financial organizations shall be signed officially after being reviewed by personnel dedicated to foreign exchange and legal affairs, or legal advisers to avoid legal risk.

III. Accounting principles

Accounting and preparation of financial statements for the Company's derivatives trading shall comply with the Statements of Financial Accounting Standards.

- IV. Internal audit system
- (I) The internal audit personnel shall periodically make a determination of the suitability of internal controls on derivatives and conduct a monthly audit of how faithfully derivatives trading by the trading department adheres to the procedures for engaging in derivatives trading, and prepare an audit report. If any material violation is discovered, Audit Committee shall be notified in writing.
 - (II) The internal audit personnel shall submit the audit report, together with details about the audit conducted in the year of internal audit, to the competent securities authority by the end of February of next year, and report correction of irregular circumstances, if any, to the competent securities authority by the end of May of next year, at the latest.
- V. When the Company engages derivatives trading, the Board of Directors shall faithfully supervise and manage such trading in accordance with the following principles:
- (I) A designated senior management personnel to pay continuous attention to monitoring and controlling derivatives trading risk, in the following manners:
 - 1. Periodically evaluate the risk management measures currently employed are appropriate and are faithfully conducted in accordance with the procedures for engaging in derivatives trading formulated by the Company.
 - 2. When irregular circumstances are found in the course of supervising trading and profit-loss circumstances, appropriate measures shall be adopted and a report immediately made to the Board of Directors. Where the Company has independent directors, an independent director shall be present at the meeting and express an opinion.
 - (II) Periodically evaluate whether derivatives trading performance is consistent with established operational strategy and whether the risk undertaken is within the Company's permitted scope of tolerance.
 - (III) The Company shall report to the latest meeting of the Board of Directors after it authorizes the relevant personnel to handle derivatives trading in accordance with the procedures for engaging in derivatives trading formulated by the Company.
 - (IV) When engaging in derivatives trading, the Company shall establish a log book in which details of the types and amounts of derivatives trading engaged in, Board of Directors approval

dates, and the matters required to be carefully evaluated under Subparagraph (V) of Paragraph 2 and Subparagraph (I) and Subparagraph (II) of Paragraph 5 herein shall be recorded in detail in the log book.

Article 13: Operating procedure for mergers, demergers, acquisitions, or transfer of shares

I. Evaluating and operating procedure

(I) When engaging in mergers, demergers, acquisitions, or transfer of shares, it is advisable for the Company to retain a CPA, attorney-at-law, and securities underwriter to research and draft the schedule for statutory procedures jointly, and organize a taskforce to execute the procedures pursuant to law. Prior to convening the board of directors to resolve on motions, the Company shall retain a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the Board of Directors for deliberation and approval. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by the Company of a subsidiary in which it directly or indirectly holds 100 percent of the issued shares or authorized capital. In case of a merger between subsidiaries in which the Company directly or indirectly holds 100 percent of the respective subsidiaries' issued shares or authorized capital.

(II) The Company shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders meeting and include it along with the expert opinion referred to in Paragraph 1 (I) herein when sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts a company from convening a shareholders meeting to approve the merger, demerger, or acquisition, this restriction shall not apply. Where the shareholders meeting of any one of the companies participating in a merger, demerger, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the Company shall immediately publicly explain the reason, follow-up measures, and scheduled date of the next shareholders meeting.

II. Other requirements

- (I) Date of board of directors meeting: A company participating in a merger, demerger, or acquisition shall convene a board of directors meeting and shareholders meeting on the day of the transaction to resolve matters relevant to the merger, demerger, or acquisition, unless another act provides otherwise or the competent securities authority is notified in advance of extraordinary circumstances and grants consent. A company participating in a transfer of shares shall call a board of directors meeting on the day of the transaction.
- (II) Written undertaking of confidentiality: Every person participating in or knowing the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or transfer of shares.
- (III) Principles for changing share exchange ratio or acquisition price: The Company may not arbitrarily alter the share exchange ratio or acquisition price unless circumstances permitting alteration has been provided in the contract for the merger, demerger, acquisition, or transfer of shares. The conditions on which share exchange ratio or acquisition price may be changed:
 - 1. Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares without consideration, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, and other equity based securities.
 - 2. An action, such as a disposition of major assets, affects the Company's financial operations.
 - 3. An event, such as a major disaster or major change in technology, affects shareholders' equity or securities price.
 - 4. An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares from another company, buys back treasury stock.
 - 5. An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.
 - 6. Other terms/conditions that the contract stipulates may be

altered and that have been publicly disclosed.

- (IV) Contents to be referred to in the contract: The contract shall record the rights and obligations of the companies participating in the merger, demerger, acquisition, or transfer of shares, in addition to the following:
1. Handling of breach of contract.
 2. Principles for handling of equity-type securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or that is demerged.
 3. The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof.
 4. The manner of handling changes in the number of participating entities or companies.
 5. Preliminary progress schedule for plan execution, and anticipated completion date.
 6. Scheduled date for convening the legally mandated shareholders meeting if the plan exceeds the deadline without completion, and relevant procedures.
- (V) In case of changes in the number of participating companies: After public disclosure of the information, if any participating company intends further to carry out a merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer. This is provided that where the number of participating companies is decreased and a participating company's shareholders' meeting has adopted a resolution authorizing the board of directors to alter the limits of authority, such participating company may be exempted from calling another shareholders meeting to resolve on the matter anew.
- (VI) Where any of the participating companies is not a public company, the Company shall sign an agreement with the non-public company whereby the latter is required to abide by the provisions of Subparagraphs (I), (II) and (V) of Paragraph 2 herein.
- (VII) The Company shall prepare a full written record of the following information and retain it for five (5) years for reference:

1. Basic identification data for personnel: Including the job titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information.
 2. Dates of material events: Including execution of any letter of intent or memorandum of understanding, retaining of a financial or legal advisor, execution of a contract, and convening of a Board of Directors' meeting.
 3. Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of Board of Directors meetings.
- (VIII) The Company shall, within two (2) days counting inclusively from the date of passage of a resolution by the Board of Directors, report (in the prescribed format and via the Internet-based information system) the information set out in Item 1 and Item 2 of the preceding subparagraph to the competent securities authority for recordation.
- (IX) Where any of the companies participating in a merger, demerger, acquisition, or transfer of another company's shares is neither listed on an exchange nor has its shares traded at a securities firm's business place, the Company shall sign an agreement with such company whereby the latter is required to abide by the provisions referred to in the preceding subparagraphs.

Article 14: Any transaction involving acquisition or disposition of major assets shall be approved by a majority of all Audit Committee members and submitted to the Board of Directors for a resolution in advance. With respect to the Company's acquisition or disposition of assets that is subject to the approval of the Board of Directors under the Company's procedures or other laws or regulations, if a director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to each Audit Committee member. Where the Company has assigned the position of independent director, when a transaction is submitted for discussion by the Board of Directors, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors' meeting.

Article 15: Procedure for information disclosure

I. Standards for matter to be publicly announced and reported

- (I) Acquisition or disposal of real property or the right-of-use assets from or to a stakeholder, or acquisition or disposition of assets other than real property or the right-of-use assets from or to a stakeholder where the trading value reaches 20 percent or more of the Company's paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more. If provided, this shall not apply to trading of government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
- (II) Mergers, demergers, acquisitions, or transfer of shares.
- (III) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out herein.
- (IV) Where the type of asset acquired or disposed of is equipment or the right-of-use assets for operating purpose, the trading counterpart is not a stakeholder, and the trading value meets any of the following criteria:
 - 1. For the company whose paid-in capital is less than NT\$10 billion, the trading value reaches NT\$500 million or more.
 - 2. For the company whose paid-in capital is more than NT\$10 billion, the trading value reaches NT\$1 billion or more.
- (V) Where land is acquired from non-stakeholders under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the amount the Company expects to invest in the transaction reaches NT\$500 million.
- (VI) Where an asset transaction other than any of those referred to in the preceding five subparagraphs, an investment in the mainland China area reaches 20 percent or more than of the Company's paid-in capital, or NT\$300 million; provided, this shall not apply to the following circumstances:
 - 1. Trading of domestic government bonds or overseas government bonds with credit ratings not lower than Taiwan's sovereign rating.
 - 2. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

(VII) The amount of transactions above shall be calculated as follows:

1. Amount of any individual transaction.
2. The cumulative transaction amount of acquisitions and dispositions of the same type of underlying asset with the same trading counterpart within the preceding year.
3. The cumulative transaction amount of real property or the right-of-use assets acquisitions and dispositions (cumulative acquisitions and dispositions, respectively) within the same development project within the preceding year.
4. The cumulative transaction amount of securities acquisitions and dispositions (cumulative acquisitions and dispositions, respectively) within the same security within the preceding year.

(VIII) “Within the preceding year” as used in the preceding subparagraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not be counted toward the trading value.

II. Time limit for public announcement and report

Where the Company’s acquisition or disposition of assets involves the items to be announced or trading value which meets the standards for public announcement and report referred to herein, the Company shall publicly announce and report the relevant information within two (2) days counting inclusively from the date of occurrence of the event.

III. Procedure for public announcement and report

(I) The Company shall publicly announce and report the relevant information on the competent securities authority’s designated website.

(II) The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by itself and any subsidiaries that are not domestic public companies, and enter the information in the prescribed format into the information reporting website designated by the competent securities authority by 10th day of each month.

(III) When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two (2) days counting inclusively from the date of knowing of such error or omission.

(IV) When acquiring or disposing of assets, the Company shall keep

all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the Company's headquarters, where they shall be retained for five (5) years, unless otherwise provided in laws.

- (V) Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with this Article, a public report of relevant information shall be made on the information reporting website designated by the competent securities authority within two (2) days counting inclusively from the date of occurrence of the event:
1. Change, termination, or rescission of a contract signed in regard to the original transaction.
 2. The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.
 3. Change to the originally publicly announced and reported information.

- Article 16: The Company's subsidiaries shall comply with the following requirements:
- I. The subsidiaries shall also adopt the "Operating Procedure for Acquisition or Disposition of Assets" in accordance with the "Regulations Governing the Acquisition and Disposition of Assets by Public Companies".
 - II. Information required to be publicly announced and reported in accordance with standards for public announcement and report referred to in the "Regulations Governing the Acquisition and Disposition of Assets by Public Companies" on acquisitions and disposition of assets by a subsidiary of the Company that is not itself a public company in Taiwan shall be reported by the Company on behalf of the subsidiary.
 - III. The paid-in capital or total assets requirements in the disclosure and reporting criteria of subsidiaries shall be subject to the paid-in capital or total assets of this Company.

- Article 17: Penalty
- Where the Company's employees handle acquisition or disposition of assets in violation of the Operating Procedure, the employees shall be reported for performance appraisal pursuant to the Company's personnel management rules and employees' work rules and disciplined subject to seriousness of the case.

- Article 18: Enforcement and amendment

The Operating Procedure shall be enforced upon agreement by a majority of the Audit Committee members, and subject to resolution by a board of directors meeting and approval by a shareholders' meeting. If a director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to the Audit Committee and also state it to a shareholders' meeting for discussion.

Where the Company has assigned the position of independent director, when the Operating Procedure is submitted for discussion by the Board of Directors, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.

Article 19: Bylaw

Any matters not covered herein shall be implemented in accordance with related laws and regulations.

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

Attachment 1

The appraisal report shall record the following:

- I. Notes to be recorded pursuant to the Regulations on Real Estate Appraisal.
- II. Notes about professional appraisers and their officers.
 - (I) The name, capital, organization structure and staffs of professional appraisers.
 - (II) Name, age and educational background & work experience (with related certificates) of the appraiser's officer, and year and period for which they have engaged in appraisal, and number of appraisal cases undertaken by them.
 - (III) Relationship among the professional appraiser, officer and client.
 - (IV) Issuance of the statement certifying that "the appraisal report is free from any false or concealed statement".
 - (V) Date of the appraisal report.
- III. The basic information about subject property shall include, at least, the name and nature, location and occupied area of the subject property.
- IV. Comparable cases for transaction of real estate with the district where the subject property is situated.
- V. Where the appraisal adopts limited price, specified price, or special price, please specify the conditions for the limited price, specified price or special price and whether such conditions are met, and the cause and reasonableness of difference from fair price, and whether the limited price, specified price or special price can duly serve as the reference for transaction price.
- VI. The joint-construction contract, if any, shall state the reasonable allocation ratio between both parties.
- VII. Estimation of land value increment tax.
- VIII. Where the appraisal results given by the professional appraisers on the same date differ by 20% or more, whether Article 41 of the Real Estate Appraiser Act has applied.
- IX. The attachments shall consist of the statement of appraisal on the subject property, ownership registration information, transcript of cadastral map, urban planning scheme, location map of the subject property, land zoning certificate, and photos showing current status of the subject property.

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	Pi, Shu-Chien (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
Independent Director	Chen, Piao-Chun	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 (March 30) of the 2026 AGM.

2. The total issued shares of TTC are 397,586,848 shares.

Appendix 5

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 2026 AGM is from March 20, 2026 to March 30, 2026. Such information was disclosed on the Market Observation Post System by law on March 11, 2026.
3. No proposal from shareholder was received during the said period.