

Annual Shareholders' Meeting 2026 Meeting Agenda

(Translation)

Stock Code **9939**



We make, We pack, We fill!



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-----DISCLAIMER-----

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1. Meeting Procedure

Taiwan Hon Chuan Enterprise Co., Ltd.

Procedure for the 2026 Annual Meeting of Shareholders

- 1. Call to Order**
- 2. Chairman's Opening remarks**
- 3. Report Items**
- 4. Approvals**
- 5. Discussion and Election**
- 6. Other Business and Special Motion**
- 7. Meeting Adjourned**

2. Meeting Agenda

Taiwan Hon Chuan Enterprise Co., Ltd.

2026 Annual Shareholders' Meeting Agenda

(Translation)

Type of Meeting : Physical Meeting

Time : 9:00 a.m., May 29, 2026

Place : Hon Chuan Headquarters (International Convention Hall)

(3F, No.6, 2 Rd., Taichung Industrial Park, Taiwan)

Meeting Procedure :

1. Call to Order

2. Chairman's Opening remarks

3. Report Items

- (1) 2025 Annual Shareholders' Letter
- (2) Audit Committee's Review Report on the 2025 Financial Statements
- (3) Distribution of Cash Dividend from 2025 Earnings
- (4) 2025 Employees' Compensation and Directors' Remuneration Report
- (5) Establishment of the Procedures for Ethical Management and Guidelines for Conduct

4. Approvals

- (1) 2025 Financial Statements and Business Report
- (2) 2025 Profit Distribution Proposal

5. Discussion and Election

- (1) To amend the Procedures for Election of Directors
- (2) Re-election of Directors (including Independent Directors)
- (3) To approve the lifting of non-competition restrictions for the Directors and Independent Directors

6. Other Business and Special Motion

7. Meeting Adjourned

Report Items

Item 1 : 2025 Annual Shareholders' Letter. Please submit for review.

Explanatory Notes :

- (1) 2025 Annual Shareholders' Letter, Financial Statements and CPA Audit Report are attached as Attachment I and II. (Please refer to page 8~30)
- (2) Please review.

Item 2 : Audit Committee's Review Report on the 2025 Financial Statements. Please submit for review.

Explanatory Notes :

- (1) The Company's 2025 financial statements have been duly audited and certified by the CPA and further reviewed by Audit Committee. The CPA and Audit Committee issue auditors' report and Audit Committee's review report respectively. Please refer to Attachment II and III. (page 11~31)
- (2) Please review.

Item 3 : Distribution of Cash Dividend from 2025 Earnings. Please submit for review.

Explanatory Notes :

- (1) Cash dividends to be distributed to ordinary shareholders total NT\$ 1,833,876,145 (NT\$ 6.2 per share).
- (2) Cash dividends shall be distributed to the nearest New Taiwan Dollar (NTD), and any fractional amounts less than NT\$1 shall be truncated. The aggregate total of such fractional amounts shall be recognized as other income of the Company.
- (3) The Chairman is authorized to determine the ex-dividend record date and other relevant matters. Should there be any change in the number of outstanding shares that results in an adjustment to the dividend rate, the Chairman is hereby authorized to handle all necessary adjustments.
- (4) Please review.

Item 4 : 2025 Employees' Compensation and Directors' Remuneration Report. Please submit for review.

Explanatory Notes :

- (1) In accordance with the 28th Article of the Company's Articles of Incorporation.
- (2) The 2025 profit of the Company is NT\$ 2,895,717,634. (That represents the pretax income before distribution of employees' compensation and directors' remuneration.) The Company proposes to distribute 1.89% or NT\$ 54,635,750 as 2025 employees' compensation and 0.78% or NT\$ 22,728,655 as directors' remuneration.
- (3) The remuneration to employees and directors is to be distributed in cash. There is no discrepancy between the amount to be distributed and expenses recognized in 2025.
- (4) The amount of employees' compensation and directors' remuneration has been approved by the resolution of the Board of Directors on March 6, 2026.

(5) Please review.

Item 5 : Establishment of the Procedures for Ethical Management and Guidelines for Conduct. Please submit for review.

Explanatory Notes :

- (1) The Company conducts business activities with integrity based on the principles of fairness, honesty, faithfulness, and transparency. To implement our ethical management policy and proactively prevent unethical conduct, the Company has established the "Procedures for Ethical Management and Guidelines for Conduct" (attached as Attachment V). These procedures are formulated in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies," local regulations in all operating jurisdictions of the Company and its group enterprises, and the requirements of the GRI 205: Anti-corruption indicator., (Please refer to page 33~40)
- (2) These Procedures and Guidelines have been approved by the resolution of the Board of Directors on March 6, 2026.
- (3) Please review.

Approvals

Approval 1: Approval of 2025 Financial Statements and Business Report. Please ratify.
(Proposed by the Board of Directors)

Explanatory Notes :

- (1) The Company's 2025 financial statements and business report have been audited by Deloitte & Touche and approved by the Board of Directors. Furthermore, the Audit Committee has reviewed the aforementioned documents and issued review report accordingly.
- (2) The 2025 Financial Statements and Business Report are attached as Attachment II. (Please refer to page 11~30)
- (3) Please ratify.

Resolution :

Approval 2: Approval of 2025 Profit Distribution Proposal. Please ratify. (Proposed by the Board of Directors)

Explanatory Notes :

- (1) The Company's 2025 net income is NT\$ 2,691,188,829. After adding the remeasurement of the defined benefit obligation of NT\$ 8,708,462 and deducting the remeasurement of the defined benefit obligation on subsidiaries of NT\$ 707,281, the total amount of net income plus other items recognized in the current year's unappropriated retained earnings is NT\$ 2,699,190,010. After setting aside a legal reserve of NT\$ 269,919,001 and a special reserve of NT\$ 254,674,975, and adding the beginning unappropriated retained earnings of NT\$ 5,068,599,678, the total distributable earnings amounted to NT\$7,243,195,712 which is proposed to be distributed in accordance with the Articles of Incorporation.

- (2) The Board of Directors has drafted proposal for Distribution of 2025 Profit as shown below. Please refer to Attachment IV (page 32)
 - I. Shareholders' Dividend – Cash dividend NT\$ 6.2 per share, NT\$ 1,833,876,145.
- (3) Please ratify.

Resolution :

Discussion and Election

Approval 1: To amend the Procedures for Election of Directors. Please proceed to discuss. (Proposed by the Board of Directors)

Explanatory Notes :

- (1) In order to comply with government regulations and respond to practical needs. The Comparison Table of Amendments to the Procedures for Election of Directors is attached hereto as Attachment VI. (page 41~43)
- (2) Please proceed to discuss.

Resolution :

Approval 2: Re-election of Directors (including Independent Directors). Please proceed to elect. (Proposed by the Board of Directors)

Explanatory Notes :

- (1) The Directors' terms of office have expired. In accordance with Article 16 of the Company's Articles of Incorporation and related provisions of Company Act, the Company hereby proposes to re-elect completely new Board members at this Annual Shareholders' Meeting.
- (2) Article 16 of the Company's Articles of Incorporation provide that the Company's Board of Directors shall have seven to nine directors, including no less than three independent directors. For the new term, the Company resolved that nine Directors (including three Independent Directors) will be elected. All of the directors shall serve for a term of three years and be eligible for re-election. Moreover, in accordance with Article 23 of the Company's Articles of Incorporation, the Company shall establish Audit Committee, composed of all Independent Directors.
- (3) In accordance with Article 16 of the Articles of Incorporation, the election of directors shall be conducted via a candidate nomination system. The Board of Directors shall review the qualifications of the nominees; those who meet the eligibility requirements will be included in the list of candidates to be elected at the Shareholders' Meeting. The academic background, professional experience, and other relevant information of the director candidates (including independent directors) are provided in the Attachment VII. (page 44~46)
- (4) The terms of office of the newly elected directors shall be three years, commencing on May 29, 2026 and expiring on May 28, 2029. The term of the current directors shall expire upon the completion of the election and the adjournment of this Annual General Meeting.
- (5) Please proceed to elect.

Resolution :

Approval 3: To approve the lifting of non-competition restrictions for the Directors and Independent Directors. Please proceed to discuss. (Proposed by the Board of Directors)

Explanatory Notes :

- (1) In accordance with Article 209 of 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 in the meeting of shareholders the essential contents of such an act and obtain permission.
- (2) To leverage the expertise and relevant experience of directors, the Company hereby proposes to release newly elected directors and its representatives from non-competition restrictions.
- (3) Details subject to releasing newly elected directors from non-competition are as follows:

Company Positions	Name	Position with Other Companies	Position
Director	Hung-Yu, Tsao	Hon Chuan Enterprise (Suzhou) Company Limited	Director
		Suzhou Hong Xin Food Packing Company Limited	Director
		Hon Chia (Myanmar) Co., Ltd.	Director
		Hon Shin (Thailand) Co., Ltd.	Director
		Shimada International Limitada	Director
		Hon Shi Mozambique Co., Ltd.	Director
		Hon Jeng Mozambique "SU", Limitada	Director
Director	Wen-Pin, Pai	Hon Chuan (Thailand) Co., Ltd.	Director
		Hon Chuan FD Packaging Co., Ltd.	Director
		Hon Chuan Vietnam Co., Ltd.	Director
		Hon Chuan Malaysia Sdn. Bhd.	Director
		Hon Chuan (Cambodia) Co., Ltd.	Director
Director	Hsin-Wen, Tsao,	Hon Chuan Enterprise (Changsha) Co., Ltd.	Director
		Hon Chuan Food Packing (Taiyuan) Company Limited	Director
		Hon Chuan Food Packing (Quzhou) Company Limited	Director

- (4) Please proceed to discuss.

Resolution :

Other Business and Special Motion
Meeting Adjourned

3. Attachment

Attachment I

Annual Shareholders' Letter

The past year has been characterized by heightened volatility in the global economy, driven by geopolitical tensions, trade tariffs, shifting interest rate environments, evolving monetary policies, and an increase in extreme climate events. These dynamics have introduced unprecedented challenges for businesses worldwide, as rising operational costs continue to test corporate resilience and adaptability. Amid this uncertainty, Taiwan Hon Chuan Enterprise Co., Ltd. (THC) has remained firmly anchored in our founding principle of steady progress with purposeful advancement, while continuously innovating in the face of challenges. We believe that a disciplined yet forward-looking approach enables us to turn uncertainty into opportunity, strengthen resilience through adversity, and build a solid foundation for sustainable long-term growth. Guided by keen market insight and strategic agility, we have continued to enhance operational efficiency, strengthen our global presence, and uphold our commitment to delivering enduring value to our shareholders.

In fiscal year 2025, THC's standalone revenue reached NTD\$ 9,939.4 million, reflecting a 1.16% increase from the NTD\$ 9,825.2 million achieved in 2024. Consolidated revenue in 2025 rose to NTD\$ 28,876.9 million, a 1.65% year-on-year increase from NTD\$ 28,408.2 million in 2024. Net profit after tax in 2025 showed a slight decline, with standalone net profit at NTD\$ 2,691.2 million (down 5.03% from NTD\$ 2,833.7 million in 2024) and consolidated net profit at NTD\$ 2,817.3 million (a 4.81% decline from NTD\$ 2,959.5 million in 2024). Earnings per share (EPS) reached NTD\$ 9.10 for the year of 2025.

Despite global currency fluctuations and broader economic uncertainties, our core operations remained resilient and stable. This performance underscores our solid financial foundation, disciplined strategic execution, and operational excellence in navigating an increasingly complex global landscape.

2025 Operation Highlights

At THC, we continue to strengthen our global footprint, advance technological innovation, and promote sustainable development, thereby enhancing overall operational competitiveness. Through these efforts, we remain firmly committed to creating long-term value for our shareholders, customers, employees, and communities.

1. Global Expansion: Steady Progress with a Global Vision

Guided by our vision to achieve sustainable growth as a leading world-class enterprise, we have continued to expand our footprint across high-potential international markets. Our participation in major beverage and packaging exhibitions across the Americas, Europe, Japan, New Zealand, India, and Africa has further strengthened our engagement with global brand partners.

Our capacity expansion strategy has also delivered meaningful progress. Newly established facilities—including Taiwan's Free Trade Zone, Zhejiang's Quzhou and Changshan plants, Guangdong's Zhongshan plant, Thailand's Hon Shin plant, Indonesia's KIIC and Pandeglang plants, Vietnam's VSIP II-A plant, and Myanmar's Hon Chia plant—will become our key growth drivers.

At the same time, we have continued to deploy additional beverage filling and packaging lines across our existing sites, with benefits beginning to materialize. This regionally coordinated capacity buildout not only enhances supply chain resilience and operational flexibility, but also mitigates risk and further strengthens our overall competitiveness.

2. Technological Innovation: Smart Manufacturing and Green R&D

We uphold the principles of green manufacturing, circular economy, and sustainable development, integrating the 3R philosophy (Reuse, Reduce, Recycle) into product design and technological innovation. By combining environmental considerations with functional design, we develop innovative packaging solutions that meet international standards and address the market's dual mandate for low carbon footprint and high product quality.

We have long been recognized for our innovation and leadership in packaging product development. In 2025, our eco-friendly tethered caps were awarded the Silver Medal for Innovative Packaging Design by the Food Industry Association, while our 100% rPET sustainable labels received an Honorable Mention. In addition, our ESG R&D project with Kao Corporation was honored with the Best Collaborative R&D Award and an Outstanding R&D Achievement Award by the Taichung Industrial Association—further demonstrating our strong innovation and technical capabilities.

We remain focused on enhancing the value of our core business while diversifying our product portfolio to strengthen competitiveness. At the same time, we are actively advancing smart manufacturing and digital transformation, including the adoption of AI-driven tools for process optimization and predictive equipment maintenance, automation pilot programs, and the implementation of digital management systems for occupational safety and health inspections. These initiatives are driving meaningful improvements in overall operational efficiency. Through our state-of-the-art laboratory, we conduct precise raw material validation and pilot-scale production testing to ensure rapid responsiveness to evolving market demands—enhancing production efficiency while maintaining consistent product quality.

3. Sustainable Growth: Talent-Centric Strategy and Environmental Stewardship

We firmly believe that corporate growth must advance in harmony with our communities and the environment. Talent development, sustainability strategy, and innovation form the core pillars underpinning our long-term competitiveness.

At THC, we are committed to strengthening partnerships with our customers through deep insights into industry trends and evolving consumer demands. Through agile execution and innovative offerings, we continue to enhance our product development and manufacturing capabilities—delivering fully integrated, end-to-end solutions that create shared value for our partners. We believe that credibility in the marketplace begins with integrity, and we therefore hold ourselves to the highest standards of accountability and discipline.

Talent is the driving force behind our growth. We are dedicated to fostering a diverse and inclusive workplace, supported by comprehensive talent development programs, structured career progression pathways, and international opportunities. By promoting continuous learning, professional excellence, and cross-border collaboration, we institutionalize talent development as a

long-term strategic priority—ensuring the sustained strength and evolution of our organization.

In sustainability, we actively implement energy-saving and carbon reduction initiatives, including carbon inventory and certification across our facilities, the adoption of lightweight packaging, and the development of low-carbon products. We also engage actively in community initiatives and environmental protection efforts. In corporate governance, we continue to strengthen internal controls, risk management, and transparency in information disclosure.

In 2025, our efforts were recognized with numerous honors, including the Silver Award in the Source Management Category of the 8th Resource Circulation Awards by the Ministry of Environment; the Annual Excellence Golden Vessel Award by Taiwan International Ports Corporation; the “Happy Workplace – Excellence Award” by the Taichung City Government; the TCSA Corporate Sustainability Performance Award and Corporate Sustainability Report Gold Award; the Ministry of Education’s Top-Tier Industry-Academia Collaboration Award; and SGS’s Occupational Safety and Health Performance Excellence Award, among others.

Outlook

We remain guided by our long-term strategic priorities: optimizing systems, enhancing efficiency, reducing costs, driving product innovation, deepening partnerships, and delivering stable profitability. We will continue to expand our global footprint, pursue innovation, and adapt proactively to an evolving market environment. By integrating group-wide resources, strengthening partnerships with global customers, accelerating the adoption of AI-driven technologies in manufacturing, and reinforcing corporate governance, we aim to deliver sustainable growth and operational excellence.

At the same time, we are committed to building a strong foundation through our industry expertise, continuous innovation, and talent development—unlocking the full potential of our organization.

Looking ahead, we will continue to solidify our leadership in Taiwan, expand across China, Southeast Asia, and Africa, and progressively extend into global markets. Together with our shareholders, employees, and communities, we will create long-term value and drive sustainable growth—building on our legacy while shaping new opportunities for the future.

Chairman :
Ya-Wen, Cheng

President :
Hung-Yu, Tsao

Chief Accounting officer :
Kuei-Ching, Chuang

Independent Auditors' Report (Financial Statements)

The Board of Directors and Shareholders
Taiwan Hon Chuan Enterprise Co., Ltd.

Opinion

We have audited the accompanying Parent Company only financial statements of Taiwan Hon Chuan Enterprise Co., Ltd. (the "Corporation"), which comprise the Parent Company only balance sheets as of December 31, 2025 and 2024, and the Parent Company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information (collectively referred to as the "Parent Company only financial statements").

In our opinion, the accompanying Parent Company only financial statements present fairly, in all material respects, the Parent Company only financial position of the Corporation as of December 31, 2025 and 2024, and its Parent Company only financial performance and its Parent Company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company only Financial Statements section of our report. We are independent of the Corporation 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 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 Parent Company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in the Corporation's financial statements for the year ended December 31, 2025 is described as follows:

Revenue recognition

The Corporation manufactures and sells plastic caps and PET bottles, PET preforms and provides beverage filling OEM services. Because revenue from high-growth companies from the aforementioned main products is significant to both the Corporation's revenue and profit, we identified revenue from high-growth companies' recognition as a key audit matter. Refer to Note 4 to the financial statements for the accounting policies on revenue recognition.

The key audit procedures that we performed in respect of revenue recognition included the following:

1. We understood the design of the internal controls related to revenue recognition and tested the operating effectiveness of the key controls. We also sampled and tested the effective continued operations of relevance controls.
2. We selected sample entries from the main products and we checked the entries against the original order, delivery order, invoices and receipt vouchers. We also checked the entries against the documents

acknowledged by customers for their receipts, deliveries and orders.

Other Matter

We did not audit the financial statements of Hon Chuan (Thailand) Co., Ltd., which is investee of the Corporation and is accounted for using the equity method for the year ended December 31, 2025 and 2024, but such financial statements were audited by other auditors. Our opinion, insofar as it relates to the amounts included in the Corporation's financial statements for these investees, is based solely on the reports of other auditors. The total assets of the aforementioned investments accounted for using the equity method were NTD3,192,597 thousand and NTD2,703,746 thousand, representing 8% and 7%, respectively, of the Corporation's total assets as of December 31, 2025 and 2024. The comprehensive income of these investees was NTD360,347 thousand and NTD356,218 thousand, representing 15% and 10%, respectively, of the Corporation's comprehensive income for the years ended December 31, 2025 and 2024.

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

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

In preparing the Parent Company only financial statements, management is responsible for assessing the Corporation'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 Corporation 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 Corporation's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Parent Company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Parent Company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the Parent Company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation'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 Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Parent Company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Parent Company only financial statements, including the 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 Corporation to express an opinion on the Parent Company only financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Parent Company only financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Shao-Chun Wu and Shu-Jing Jiang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 6, 2026

Notice to Readers

The accompanying Parent Company only financial statements are intended only to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such Parent Company only financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying Parent Company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and Parent Company only financial statements shall prevail.

Independent Auditors' Report (Consolidated Financial Statements)

The Board of Directors and Shareholders
Taiwan Hon Chuan Enterprise Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Taiwan Hon Chuan Enterprise Co., Ltd. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, based on our audits and the reports of other auditors (please refer to the Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in the Group's consolidated financial statements for the year ended December 31, 2025 is described as follows:

Revenue recognition

The Group manufactures and sells plastic caps and PET bottles, PET preforms and provides beverage filling OEM services. Because revenue from high-growth companies from the aforementioned main products is significant to both the Group's revenue and profit, we identified revenue from high-growth companies' recognition as a key audit matter. Refer to Note 4 to the consolidated financial statements for the accounting policies on revenue recognition.

The key audit procedures that we performed in respect of revenue recognition included the following:

1. We understood the design of the internal controls related to revenue recognition and tested the operating effectiveness of the key controls. We also sampled and tested the effective continued operations of the relevant controls.

2. We selected sample entries from the main products and checked the entries against the original orders, delivery orders, invoices and receipt vouchers. We also checked the entries against the documents acknowledged by customers for their receipts, deliveries and orders.

Other Matter

We did not audit the financial statements of Hon Chuan (Thailand) Co., Ltd, which is investee of the Group and is included in the consolidated financial statements as of and for the year ended December 31, 2025 and 2024, but such statements were audited by other auditors. Our opinion, insofar as it relates to the amounts included in the Group's consolidated financial statements for these investees, is based solely on the reports of the other auditors. The total assets of the aforementioned investees were NTD3,862,672 thousand and NTD3,023,679 thousand, representing 8% and 7%, respectively, of the Group's consolidated assets as of December 31, 2025 and 2024. The total sales of the aforementioned investees were NTD2,286,263 thousand and NTD2,315,198 thousand, both representing 8% of the Group's consolidated net sales for the years ended December 31, 2025 and 2024.

We have also audited the parent company only financial statements of Taiwan Hon Chuan Enterprise Co., Ltd. as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion with other matter paragraph.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Shao-Chun Wu and Shu-Jing Jiang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 6, 2026

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

TAIWAN HON CHUAN ENTERPRISE CO., LTD.
BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	\$ 445,121	1	\$ 519,080	1
Financial assets at fair value through profit or loss - current (Notes 7 and 18)	400	-	1,600	-
Financial assets at amortized cost - current (Note 9)	-	-	177,528	1
Notes receivable from unrelated parties	121,453	-	177,081	1
Trade receivables from unrelated parties (Note 10)	1,279,874	3	1,185,555	3
Trade receivables from related parties (Note 29)	37,966	-	24,459	-
Inventories (Note 11)	1,141,722	3	1,190,825	3
Other current assets (Note 16)	496,583	1	534,027	1
Total current assets	<u>3,523,119</u>	<u>8</u>	<u>3,810,155</u>	<u>10</u>
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Note 7)	127,073	-	63,795	-
Financial assets at fair value through other comprehensive income - non-current (Note 8)	205,340	1	17,694	-
Long-term investments accounted for using the equity method (Note 12)	28,385,560	67	26,412,010	67
Property, plant and equipment (Notes 13 and 29)	7,989,203	19	7,277,860	19
Right-of-use assets (Note 14)	366,145	1	424,770	1
Investment properties (Note 15)	332,797	1	328,009	1
Intangible assets	1,861	-	2,654	-
Deferred tax assets (Note 23)	10,400	-	7,324	-
Net defined benefit assets - non-current (Note 20)	58,319	-	44,320	-
Prepayments for equipment	1,068,645	3	785,334	2
Other non-current assets (Note 16)	51,738	-	49,408	-
Total non-current assets	<u>38,597,081</u>	<u>92</u>	<u>35,413,178</u>	<u>90</u>
TOTAL	<u>\$ 42,120,200</u>	<u>100</u>	<u>\$ 39,223,333</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 17)	\$ 1,721,859	4	\$ 5,320,030	14
Short-term bills payable (Note 17)	4,800,000	11	1,700,000	4
Financial liabilities at fair value through profit or loss - current (Notes 7 and 18)	46,399	-	43,147	-
Notes payable to unrelated parties	3,622	-	32	-
Trade payables to unrelated parties	454,393	1	530,476	1
Trade payables to related parties (Note 29)	2,175	-	2,310	-
Current tax liabilities (Note 23)	34,312	-	32,322	-
Lease liabilities - current (Note 14)	35,259	-	38,717	-
Deferred revenue - current (Note 26)	10,678	-	16,065	-
Current portion of long-term liabilities (Notes 17 and 26)	3,234,006	8	729,016	2
Other current liabilities (Note 19)	887,031	2	865,507	2
Total current liabilities	<u>11,229,734</u>	<u>26</u>	<u>9,277,622</u>	<u>23</u>
NON-CURRENT LIABILITIES				
Bonds payable (Note 18)	3,704,564	9	6,629,064	17
Long-term borrowings (Notes 17 and 26)	6,718,133	16	3,419,332	9
Deferred tax liabilities (Note 23)	35,947	-	33,269	-
Lease liabilities - non-current (Note 14)	341,015	1	395,947	1
Deferred revenue - non-current (Note 26)	17,341	-	28,019	-
Guarantee deposits received	6,250	-	5,250	-
Total non-current liabilities	<u>10,823,250</u>	<u>26</u>	<u>10,510,881</u>	<u>27</u>
Total liabilities	<u>22,052,984</u>	<u>52</u>	<u>19,788,503</u>	<u>50</u>
EQUITY				
Ordinary shares	2,957,865	7	2,957,859	8
Capital surplus	6,825,654	16	6,803,917	17
Retained earnings				
Legal reserve	2,770,583	7	2,486,507	6
Special reserve	1,741,663	4	2,645,911	7
Unappropriated earnings	7,767,789	18	6,282,299	16
Other equity	(1,996,338)	(4)	(1,741,663)	(4)
Total equity	<u>20,067,216</u>	<u>48</u>	<u>19,434,830</u>	<u>50</u>
TOTAL	<u>\$ 42,120,200</u>	<u>100</u>	<u>\$ 39,223,333</u>	<u>100</u>

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

(With Deloitte & Touche auditors' report dated March 6, 2026)

TAIWAN HON CHUAN ENTERPRISE CO., LTD.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2025		2024	
	Amount	%	Amount	%
SALES (Note 29)	\$ 9,939,400	100	\$ 9,825,218	100
COST OF GOODS SOLD (Notes 11, 22 and 29)	<u>7,915,413</u>	<u>79</u>	<u>7,680,761</u>	<u>78</u>
GROSS PROFIT	<u>2,023,987</u>	<u>21</u>	<u>2,144,457</u>	<u>22</u>
OPERATING EXPENSES (Notes 22 and 29)				
Selling and marketing expenses	793,119	8	769,167	8
General and administrative expenses	470,186	5	528,396	5
Research and development expenses	<u>93,190</u>	<u>1</u>	<u>90,543</u>	<u>1</u>
Total operating expenses	<u>1,356,495</u>	<u>14</u>	<u>1,388,106</u>	<u>14</u>
PROFIT FROM OPERATIONS	<u>667,492</u>	<u>7</u>	<u>756,351</u>	<u>8</u>
NON-OPERATING INCOME AND EXPENSES				
Finance costs (Notes 22 and 26)	(320,942)	(3)	(300,349)	(3)
Share of profit of subsidiaries (Note 12)	2,399,732	24	2,340,542	24
Interest income	5,035	-	21,407	-
Other gains and losses (Note 22)	64,528	-	109,208	1
Net foreign exchange gain	<u>2,509</u>	<u>-</u>	<u>27,818</u>	<u>-</u>
Total non-operating income and expenses	<u>2,150,862</u>	<u>21</u>	<u>2,198,626</u>	<u>22</u>
PROFIT BEFORE INCOME TAX	2,818,354	28	2,954,977	30
INCOME TAX EXPENSE (Note 23)	<u>127,165</u>	<u>1</u>	<u>121,312</u>	<u>1</u>
NET PROFIT FOR THE YEAR	<u>2,691,189</u>	<u>27</u>	<u>2,833,665</u>	<u>29</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 20)	10,886	-	9,123	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	187,646	2	(98)	-

(Continued)

TAIWAN HON CHUAN ENTERPRISE CO., LTD.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2025		2024	
	Amount	%	Amount	%
Share of the other comprehensive loss of associates accounted for using the equity method (Note 12)	\$ (1,946)	-	\$ (1,124)	-
Income tax expense relating to items that will not be reclassified subsequently to profit or loss (Note 23)	(2,177)	-	(1,825)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	<u>(441,083)</u>	<u>(4)</u>	<u>905,262</u>	<u>9</u>
Other comprehensive (loss) income for the year, net of income tax	<u>(246,674)</u>	<u>(2)</u>	<u>911,338</u>	<u>9</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 2,444,515</u>	<u>25</u>	<u>\$ 3,745,003</u>	<u>38</u>
EARNINGS PER SHARE (Note 24)				
Basic	<u>\$ 9.10</u>		<u>\$ 9.80</u>	
Diluted	<u>\$ 9.08</u>		<u>\$ 9.78</u>	

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

(With Deloitte & Touche auditors' report dated March 6, 2026)

(Concluded)

TAIWAN HON CHUAN ENTERPRISE CO., LTD.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	Share Capital (Note 21)	Capital Surplus (Note 21)	Retained Earnings (Notes 20 and 21)			Other Equity		Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Investments in Equity Instruments at Fair Value Through Other Comprehensive Income	
BALANCE AT JANUARY 1, 2024	\$ 2,877,859	\$ 5,354,457	\$ 2,239,518	\$ 2,387,501	\$ 5,486,597	\$ (2,635,881)	\$ (10,030)	\$ 15,700,021
Appropriation of 2023 earnings								
Legal reserve	-	-	246,989	-	(246,989)	-	-	-
Special reserve	-	-	-	258,410	(258,410)	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	(1,539,654)	-	-	(1,539,654)
Equity component of convertible bonds issued by the Company	-	440,990	-	-	-	-	-	440,990
Net profit for the year ended December 31, 2024	-	-	-	-	2,833,665	-	-	2,833,665
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	7,090	905,262	(1,014)	911,338
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	2,840,755	905,262	(1,014)	3,745,003
Issuance of ordinary shares for cash	80,000	984,000	-	-	-	-	-	1,064,000
Difference between the consideration and carrying amount of subsidiaries acquired or disposed of	-	6	-	-	-	-	-	6
Share-based payments arrangements	-	24,464	-	-	-	-	-	24,464
BALANCE AT DECEMBER 31, 2024	2,957,859	6,803,917	2,486,507	2,645,911	6,282,299	(1,730,619)	(11,044)	19,434,830
Appropriation of 2024 earnings								
Legal reserve	-	-	284,076	-	(284,076)	-	-	-
Special reserve	-	-	-	(904,248)	904,248	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	(1,833,872)	-	-	(1,833,872)
Overdue dividends not collected by shareholders	-	833	-	-	-	-	-	833
Net profit for the year ended December 31, 2025	-	-	-	-	2,691,189	-	-	2,691,189
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	8,001	(441,083)	186,408	(246,674)
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	2,699,190	(441,083)	186,408	2,444,515
Convertible bonds converted to ordinary shares	6	86	-	-	-	-	-	92
Difference between the consideration and carrying amount of subsidiaries acquired or disposed of	-	20,818	-	-	-	-	-	20,818
BALANCE AT DECEMBER 31, 2025	\$ 2,957,865	\$ 6,825,654	\$ 2,770,583	\$ 1,741,663	\$ 7,767,789	\$ (2,171,702)	\$ 175,364	\$ 20,067,216

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

(With Deloitte & Touche auditors' report dated March 6, 2026)

TAIWAN HON CHUAN ENTERPRISE CO., LTD.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	For the Year Ended December 31	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 2,818,354	\$ 2,954,977
Adjustments for:		
Depreciation and amortization expenses	839,539	748,034
Expected credit loss recognized (reversed) on trade receivables	178	(608)
Net loss on fair value changes of financial assets and liabilities at fair value through profit or loss	2,774	14,934
Finance costs	320,942	300,349
Interest income	(5,035)	(21,407)
Dividend income	(404)	(121)
Compensation cost of employee share options	-	24,464
Share of profit of subsidiaries	(2,399,732)	(2,340,542)
Gain on disposal of property, plant and equipment	(298)	(10,384)
Write-down (reversed of) of inventories	3,613	(1,499)
Unrealized net loss (gain) on foreign currency exchange	7,318	(606)
Reversal of deferred revenue	(16,065)	(18,878)
Gain on lease modification	(1,304)	-
Net changes in operating assets and liabilities		
Notes receivable	55,628	(6,382)
Trade receivables	(105,998)	(51,983)
Inventories	45,490	(199,277)
Other current assets	32,881	(85,232)
Notes payable	3,590	(6)
Trade payables	(76,296)	16,920
Other current liabilities	(11,069)	80,200
Net defined benefit plans	(3,113)	(5,707)
Deferred revenue	-	15,000
Cash generated from operations	<u>1,510,993</u>	<u>1,412,246</u>
Interest received	9,599	18,991
Interest paid	(243,996)	(271,213)
Income tax paid	<u>(127,750)</u>	<u>(250,766)</u>
Net cash generated from operating activities	<u>1,148,846</u>	<u>909,258</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	-	(164,865)
Proceeds from repayment of financial assets at amortized cost	177,528	-
Purchase of financial assets at fair value through profit or loss	(61,600)	(32,160)
Payments for property, plant and equipment	(1,012,300)	(763,278)
Proceeds from disposal of property, plant and equipment	505	97,646
Increase in refundable deposits	(4,377)	(416)
Acquisition of intangible assets	(947)	-
Acquisition of investment properties	(16,145)	(169,066)

(Continued)

TAIWAN HON CHUAN ENTERPRISE CO., LTD.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	For the Year Ended December 31	
	2025	2024
Increase in other non-current assets	\$ (2,111)	\$ (6,743)
Increase in prepayments for equipment	(728,091)	(586,060)
Dividends received from subsidiaries	<u>4,377</u>	<u>5,526</u>
Net cash used in investing activities	<u>(1,643,161)</u>	<u>(1,619,416)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	-	4,168,083
Decrease in short-term borrowings	(3,598,176)	-
Increase in short-term bills payable	3,100,000	-
Decrease in short-term bills payable	-	(3,800,000)
Proceeds from issue of convertible bonds	-	4,089,375
Proceeds from long-term borrowings	11,633,779	13,784,354
Repayments of long-term borrowings	(8,834,715)	(17,522,397)
Increase guarantee deposits received	1,000	1,000
Repayment of the principal portion of lease liabilities	(38,135)	(34,169)
Dividends paid	(1,833,872)	(1,539,654)
Issuance of ordinary shares for cash	-	1,064,000
Acquisition of additional interests in subsidiaries	-	(15,000)
Overdue dividends not collected by shareholders	<u>833</u>	<u>-</u>
Net cash generated from financing activities	<u>430,714</u>	<u>195,592</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(10,358)</u>	<u>(13,055)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(73,959)	(527,621)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>519,080</u>	<u>1,046,701</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 445,121</u>	<u>\$ 519,080</u>

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

(With Deloitte & Touche auditors' report dated March 6, 2026)

(Concluded)

TAIWAN HON CHUAN ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	\$ 3,922,004	9	\$ 4,847,741	11
Financial assets at fair value through profit or loss - current (Note 7)	1,977	-	2,459	-
Financial assets at amortized cost - current (Notes 9 and 10)	1,432,875	3	177,528	-
Notes receivable from unrelated parties	169,245	-	233,210	1
Trade receivables from unrelated parties (Note 11)	4,755,486	10	4,836,142	11
Trade receivables from related parties (Note 31)	430	-	391	-
Inventories (Note 12)	2,957,086	6	3,389,756	8
Other current assets (Notes 18 and 32)	2,127,166	5	2,118,953	5
Total current assets	<u>15,366,269</u>	<u>33</u>	<u>15,606,180</u>	<u>36</u>
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Note 7)	127,073	-	63,795	-
Financial assets at fair value through other comprehensive income - non-current (Note 8)	218,766	-	31,840	-
Financial assets at amortized cost - non-current (Notes 9 and 10)	399,475	1	414,465	1
Long-term investments accounted for using the equity method (Note 14)	10,358	-	11,441	-
Property, plant and equipment (Notes 15 and 32)	23,096,125	49	20,049,765	47
Right-of-use assets (Note 16)	1,637,704	4	1,904,616	4
Investment properties (Note 17)	332,797	1	328,009	1
Intangible assets	375,902	1	392,648	1
Deferred tax assets (Note 25)	258,122	1	296,468	1
Prepayments for equipment	4,815,293	10	3,832,535	9
Net defined benefit assets - non-current (Note 22)	58,319	-	44,320	-
Other non-current assets (Note 18)	100,781	-	104,550	-
Total non-current assets	<u>31,430,715</u>	<u>67</u>	<u>27,474,452</u>	<u>64</u>
TOTAL	<u>\$ 46,796,984</u>	<u>100</u>	<u>\$ 43,080,632</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 19)	\$ 2,555,875	6	\$ 5,781,121	14
Short-term bills payable (Note 19)	4,800,000	10	1,700,000	4
Financial liabilities at fair value through profit or loss - current (Note 7)	46,399	-	43,147	-
Notes payable to unrelated parties	4,378	-	461	-
Trade payables to unrelated parties	1,140,642	3	1,334,265	3
Current tax liabilities (Note 25)	196,258	-	173,076	-
Lease liabilities - current (Note 16)	48,148	-	106,877	-
Deferred revenue - current (Note 28)	10,678	-	16,065	-
Current portion of long-term liabilities (Notes 19, 20 and 28)	3,234,006	7	729,016	2
Other current liabilities (Notes 21 and 31)	1,814,407	4	2,085,371	5
Total current liabilities	<u>13,850,791</u>	<u>30</u>	<u>11,969,399</u>	<u>28</u>
NON-CURRENT LIABILITIES				
Bonds payable (Note 20)	3,704,564	8	6,629,064	16
Long-term borrowings (Notes 19 and 28)	7,991,561	17	3,440,658	8
Deferred tax liabilities (Note 25)	78,699	-	78,738	-
Lease liabilities - non-current (Note 16)	433,092	1	571,056	1
Deferred revenue - non-current (Note 28)	46,451	-	28,019	-
Net defined benefit liabilities - non-current (Note 22)	60,653	-	52,747	-
Guarantee deposits received	61,958	-	30,248	-
Total non-current liabilities	<u>12,376,978</u>	<u>26</u>	<u>10,830,530</u>	<u>25</u>
Total liabilities	<u>26,227,769</u>	<u>56</u>	<u>22,799,929</u>	<u>53</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION				
Ordinary shares	2,957,865	6	2,957,859	7
Capital surplus	6,825,654	15	6,803,917	16
Retained earnings				
Legal reserve	2,770,583	6	2,486,507	6
Special reserve	1,741,663	4	2,645,911	6
Unappropriated earnings	7,767,789	16	6,282,299	14
Other equity	(1,996,338)	(4)	(1,741,663)	(4)
Total equity attributable to owners of the Corporation	20,067,216	43	19,434,830	45
NON-CONTROLLING INTERESTS	<u>501,999</u>	<u>1</u>	<u>845,873</u>	<u>2</u>
Total equity	<u>20,569,215</u>	<u>44</u>	<u>20,280,703</u>	<u>47</u>
TOTAL	<u>\$ 46,796,984</u>	<u>100</u>	<u>\$ 43,080,632</u>	<u>100</u>

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

(With Deloitte & Touche auditors' report dated March 6, 2026)

TAIWAN HON CHUAN ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2025		2024	
	Amount	%	Amount	%
SALES (Notes 31 and 37)	\$ 28,876,866	100	\$ 28,408,164	100
COST OF GOODS SOLD (Notes 12, 24 and 31)	<u>22,451,306</u>	<u>78</u>	<u>22,142,337</u>	<u>78</u>
GROSS PROFIT	<u>6,425,560</u>	<u>22</u>	<u>6,265,827</u>	<u>22</u>
OPERATING EXPENSES (Notes 24 and 31)				
Selling and marketing expenses	1,115,696	4	1,161,726	4
General and administrative expenses	1,178,023	4	1,234,656	4
Research and development expenses	<u>375,020</u>	<u>1</u>	<u>324,386</u>	<u>1</u>
Total operating expenses	<u>2,668,739</u>	<u>9</u>	<u>2,720,768</u>	<u>9</u>
PROFIT FROM OPERATIONS	<u>3,756,821</u>	<u>13</u>	<u>3,545,059</u>	<u>13</u>
NON-OPERATING INCOME AND EXPENSES				
Other gains and losses (Note 24)	129,564	-	194,050	1
Finance costs (Notes 24 and 28)	(377,100)	(1)	(327,923)	(1)
Interest income	97,950	-	122,850	-
Net foreign exchange gains (loss)	<u>(57,263)</u>	<u>-</u>	<u>116,855</u>	<u>-</u>
Total non-operating income and expenses	<u>(206,849)</u>	<u>(1)</u>	<u>105,832</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	3,549,972	12	3,650,891	13
INCOME TAX EXPENSE (Note 25)	<u>732,716</u>	<u>2</u>	<u>691,392</u>	<u>2</u>
NET PROFIT FOR THE YEAR	<u>2,817,256</u>	<u>10</u>	<u>2,959,499</u>	<u>11</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 22)	9,979	-	8,856	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	186,408	1	(1,014)	-
Income tax expense relating to items that will not be reclassified subsequently to profit or loss (Note 25)	(1,978)	-	(1,766)	-

(Continued)

TAIWAN HON CHUAN ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2025		2024	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	\$ (454,096)	(2)	\$ 917,466	3
Other comprehensive loss for the year, net of income tax	(259,687)	(1)	923,542	3
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 2,557,569</u>	<u>9</u>	<u>\$ 3,883,041</u>	<u>14</u>
NET INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 2,691,189	9	\$ 2,833,665	10
Non-controlling interests	126,067	1	125,834	-
	<u>\$ 2,817,256</u>	<u>10</u>	<u>\$ 2,959,499</u>	<u>10</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 2,444,515	9	\$ 3,745,003	13
Non-controlling interests	113,054	-	138,038	1
	<u>\$ 2,557,569</u>	<u>9</u>	<u>\$ 3,883,041</u>	<u>14</u>
EARNINGS PER SHARE (Note 26)				
Basic	<u>\$ 9.10</u>		<u>\$ 9.80</u>	
Diluted	<u>\$ 9.08</u>		<u>\$ 9.78</u>	

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

(With Deloitte & Touche auditors' report dated March 6, 2026)

(Concluded)

TAIWAN HON CHUAN ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Corporation					Other Equity		Total	Non-controlling Interests	Total Equity
	Share Capital (Note 23)	Capital Surplus (Note 23)	Retained Earnings (Notes 22 and 23)			Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Investments in Equity Instruments at Fair Value Through Other Comprehensive Income			
			Legal Reserve	Special Reserve	Unappropriated Earnings					
BALANCE AT JANUARY 1, 2024	\$ 2,877,859	\$ 5,354,457	\$ 2,239,518	\$ 2,387,501	\$ 5,486,597	\$ (2,635,881)	\$ (10,030)	\$ 15,700,021	\$ 762,413	\$ 16,462,434
Appropriation of 2023 earnings	-	-	246,989	-	(246,989)	-	-	-	-	-
Legal reserve	-	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	258,410	(258,410)	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	(1,539,654)	-	-	(1,539,654)	-	(1,539,654)
Equity component of convertible bonds issued by the Company	-	440,990	-	-	-	-	-	440,990	-	440,990
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	(23,011)	(23,011)
Cash dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(31,561)	(31,561)
Net profit for the year ended December 31, 2024	-	-	-	-	2,833,665	-	-	2,833,665	125,834	2,959,499
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	7,090	905,262	(1,014)	911,338	12,204	923,542
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	2,840,755	905,262	(1,014)	3,745,003	138,038	3,883,041
Issuance of ordinary shares for cash	80,000	984,000	-	-	-	-	-	1,064,000	-	1,064,000
Difference between the consideration and carrying amount of subsidiaries acquired or disposed of	-	6	-	-	-	-	-	6	(6)	-
Share-based payments arrangements	-	24,464	-	-	-	-	-	24,464	-	24,464
BALANCE AT DECEMBER 31, 2024	2,957,859	6,803,917	2,486,507	2,645,911	6,282,299	(1,730,619)	(11,044)	19,434,830	845,873	20,280,703
Appropriation of 2024 earnings	-	-	284,076	-	(284,076)	-	-	-	-	-
Legal reserve	-	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	(904,248)	904,248	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	(1,833,872)	-	-	(1,833,872)	-	(1,833,872)
Increase in non-controlling interests	-	-	-	-	-	-	-	-	(412,061)	(412,061)
Cash dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(24,049)	(24,049)
Overdue dividends not collected by shareholders	-	833	-	-	-	-	-	833	-	833
Net profit for the year ended December 31, 2025	-	-	-	-	2,691,189	-	-	2,691,189	126,067	2,817,256
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	8,001	(441,083)	186,408	(246,674)	(13,013)	(259,687)
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	2,699,190	(441,083)	186,408	2,444,515	113,054	2,557,569
Convertible bonds converted to ordinary shares	6	86	-	-	-	-	-	92	-	92
Difference between the consideration and carrying amount of subsidiaries acquired or disposed of	-	20,818	-	-	-	-	-	20,818	(20,818)	-
BALANCE AT DECEMBER 31, 2025	\$ 2,957,865	\$ 6,825,654	\$ 2,770,583	\$ 1,741,663	\$ 7,767,789	\$ (2,171,702)	\$ 175,364	\$ 20,067,216	\$ 501,999	\$ 20,569,215

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

(With Deloitte & Touche auditors' report dated March 6, 2026)

TAIWAN HON CHUAN ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	For the Year Ended December 31	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 3,549,972	\$ 3,650,891
Adjustments for:		
Depreciation and amortization expenses	2,510,978	2,531,045
Expected credit loss (reversed) recognized on trade receivables	(53,511)	5,350
Net loss on fair value changes of financial assets and liabilities at fair value through profit or loss	2,055	13,526
Finance costs	377,100	327,923
Interest income	(97,950)	(122,850)
Dividend income	(1,405)	(1,128)
Compensation cost of employee share options	-	24,464
Share of loss of associates accounted for using the equity method	605	1,160
(Gain) loss on disposal of property, plant and equipment	(7,957)	20,111
Impairment loss recognized on property, plant and equipment	4,440	-
Write-down of inventories	7,917	2,981
Unrealized net loss (gain) on foreign currency exchange	37,514	(17,821)
Gain on lease modification	(2,986)	(123)
Reversal of deferred revenue	(16,065)	(19,117)
Net changes in operating assets and liabilities		
Notes receivable	63,265	(29,653)
Trade receivables	26,437	(569,603)
Inventories	391,564	(673,793)
Other current assets	85,418	(438,702)
Notes payable	3,913	(22)
Trade payables	(173,698)	28,540
Other current liabilities	(220,649)	297,398
Net defined benefit plans	4,425	(221)
Deferred revenue	28,055	15,000
Cash generated from operations	6,519,437	5,045,356
Interest received	95,303	122,899
Interest paid	(299,164)	(298,741)
Income tax paid	(748,812)	(803,730)
Net cash generated from operating activities	5,566,764	4,065,784
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(1,383,048)	(1,554,554)
Proceeds from repayment of financial assets at amortized cost	177,528	1,345,834
Purchase of financial assets at fair value through profit or loss	(61,600)	(32,160)
Payments for property, plant and equipment	(3,000,635)	(1,536,382)
Proceeds from disposal of property, plant and equipment	26,027	64,714
Increase in refundable deposits	(5,602)	(10,253)
Payments for intangible assets	(1,929)	(630)

(Continued)

TAIWAN HON CHUAN ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	For the Year Ended December 31	
	2025	2024
Net cash outflow on acquisition of subsidiaries	\$ -	\$ (67,055)
Acquisition of investment properties	(16,145)	(169,066)
Increase in other non-current assets	(19,812)	(39,214)
Increase in prepayments for equipment	(3,628,916)	(3,702,643)
Other dividends received	<u>1,405</u>	<u>1,128</u>
Net cash used in investing activities	<u>(7,912,727)</u>	<u>(5,700,281)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	-	4,391,114
Decrease in short-term borrowings	(3,220,176)	-
Increase in short-term bills payable	3,100,000	-
Decrease in short-term bills payable	-	(3,800,000)
Proceeds from issuance of convertible bonds	-	4,089,375
Proceeds from long-term borrowings	12,808,145	13,784,354
Repayments of long-term borrowings	(8,849,938)	(17,533,860)
Increase guarantee deposits received	30,654	465
Repayment of the principal portion of lease liabilities	(89,151)	(87,703)
Dividends paid to owners of the Corporation	(1,833,872)	(1,539,654)
Issuance of ordinary shares for cash	-	1,064,000
Changes in non-controlling interests	(412,061)	(23,011)
Dividends paid to non-controlling interests	(24,049)	(31,561)
Overdue dividends not collected by shareholders	<u>833</u>	<u>-</u>
Net cash generated from financing activities	<u>1,510,385</u>	<u>313,519</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(90,159)</u>	<u>303,893</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(925,737)	(1,017,085)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>4,847,741</u>	<u>5,864,826</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 3,922,004</u>	<u>\$ 4,847,741</u>

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

(With Deloitte & Touche auditors' report dated March 6, 2026)

(Concluded)

Taiwan Hon Chuan Enterprise Co., Ltd.

Audit Committees' Review Report

We hereby state as following:

The Board of Directors has prepared the Company's 2025 Business Report, Financial Statements, and the Profit Allocation Proposal. Of these items, the Individual and Consolidated Financial Statements have been audited by external auditors Shao-Chun, Wu and Shu-Chin, Chiang of Deloitte & Touche, Taiwan, and an audit report has been issued relating to the Financial Statements. The aforementioned items have been reviewed and determined to be correct and accurate by the Audit Committee. According to Article 14-4 of Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

To

2026 Annual Shareholders' Meeting of Taiwan Hon Chuan Enterprise Co., Ltd.

Taiwan Hon Chuan Enterprise Co., Ltd.

Audit Committee Chairman : Chao-Nan, Hung
 Commissioner : Hsiang-Ying, Huang
 Commissioner : Po-yuan, Cho

March 6, 2026

Taiwan Hon Chuan Enterprise Co., Ltd.
Proposal for Distribution of 2025 Profits

Items	Subtotal	Unit : NTD Amount
Unappropriated retained earnings of previous years		5,068,599,678
2025 Net income	2,691,188,829	
Remeasurement of defined benefit obligation	8,708,462	
Remeasurement of defined benefit obligation - subsidiaries	(707,281)	
Net income and other profit items adjusted to the current year's undistributed earnings		2,699,190,010
Legal capital reserve		(269,919,001)
Special reserve		(254,674,975)
Retained Earnings Available for Distribution		7,243,195,712
Shareholders' Dividend - Cash		(1,833,876,145)
Unappropriated Retained Earnings at the end of year		5,409,319,567

(Note 1) Shareholders' Dividend -- Cash :

295,786,475 shares * NT\$ 6.2 = NT\$ 1,833,876,145.

(Note 2) Cash dividends shall be distributed to the nearest New Taiwan Dollar (NTD), and any fractional amounts less than NT\$1 shall be truncated. The aggregate total of such fractional amounts shall be recognized as other income of the Company.

(Note 3) In response to the implementation of Imputation System, when computing tax levied at the rate of 5% on undistributed surplus earnings in accordance with Article 66-9 of Income Tax Act, the Company will adopt specific identification method to distribute preferably from earnings of recent years based upon official letter No. 871941343 issued by Ministry of Finance on April 30, 1998.

(Note 4) Afterward, should there be any change in the number of outstanding shares of the Company, the Chairman is hereby authorized to adjust the dividend rate based on actual amount of outstanding shares on the record date for such dividend payment.

Chairman :
Ya-Wen, Cheng

President :
Hung-Yu, Tsao

Chief Accounting officer :
Kuei-Ching, Chuang

Taiwan Hon Chuan Enterprise Co., Ltd

Procedures for Ethical Management and Guidelines for Conduct

Date : 2026.03.06

Article 1

(Purpose of adoption and scope of application)

The Company engages in commercial activities following the principles of fairness, honesty, faithfulness, and transparency, and in order to fully implement a policy of ethical management and actively prevent unethical conduct, these Procedures for Ethical Management and Guidelines for Conduct (hereinafter, “Procedures and Guidelines”) are adopted pursuant to the provisions of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies and the applicable laws and regulations of the places where the Company and its business groups and organizations operate, with a view to providing all personnel of the Company with clear directions for the performance of their duties.

The scope of application of these Procedures and Guidelines includes the subsidiaries of the Company, any incorporated foundation in which the Company's accumulated contributions, direct or indirect, exceed 50 percent of the total funds of the foundation, and other group enterprises and organizations, such as institutions or juristic persons, substantially controlled by the Company.

Article 2

(Applicable subjects)

For the purposes of these Procedures and Guidelines, the term “personnel of the Company” refers to any director, managerial officer, employee, mandatary or person having substantial control, of the Company or its group enterprises and organizations.

Any provision, promise, request, or acceptance of improper benefits by any personnel of the Company through a third party will be presumed to be an act by the personnel of The Company.

Article 3

(Unethical conduct)

For the purposes of these Procedures and Guidelines, “unethical conduct” means that any personnel of the Company, in the course of their duties, directly or indirectly provides, promises, requests, or accepts improper benefits or commits a breach of ethics, unlawful act, or breach of fiduciary duty for purposes of acquiring or maintaining benefits.

The counterparties of the unethical conduct under the preceding paragraph include public officials, political candidates, political parties or their staffs, and government-owned or private-owned enterprises or institutions and their directors, supervisors, managerial officers, employees, persons having substantial control, or other interested parties.

Article 4

(Types of benefits)

For the purposes of these Procedures and Guidelines, the term “benefits” means any money, gratuity, gift, commission, position, service, preferential treatment, rebate, facilitating payment, entertainment, dining, or any other item of value in whatever form or name.

Article 5

(Responsible unit and duties)

The Company shall designate the Auditing Office as the solely responsible unit (hereinafter, “responsible unit”) under the board of directors and provide it with sufficient resources and

competent personnel to be in charge of the amendment, implementation, interpretation, and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. With the exception of the Human Resources Department, which is responsible for the promotion and coordination of integrity policy advocacy and training. The responsible unit shall be in charge of the following matters and also submit regular reports (at least once a year) to the board of directors:

1. Assisting in incorporating ethics and moral values into The Company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.
2. Analyzing and assessing the risks of unethical conduct within the business scope on a regular basis and accordingly adopting programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to The Company's operations and business.
3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.
4. Developing a whistle-blowing system and ensuring its operating effectiveness.
5. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.
6. Preparing and retaining properly documented information such as ethical management policy and compliance statements, situations concerning the performance of undertakings and enforcement etc.

Article 6

(Prohibition against providing or accepting improper benefits)

Except under one of the following circumstances, when providing, accepting, promising, or requesting, directly or indirectly, any benefits as specified in Article 4, the conduct of the given personnel of the Company shall comply with the provisions of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies and these Procedures and Guidelines, and the relevant procedures shall have been carried out:

1. The conduct is undertaken to meet business needs and is in accordance with local courtesy, convention, or custom during domestic (or foreign) visits, reception of guests, promotion of business, and communication and coordination.
2. The conduct has its basis in ordinary social activities that are attended or others are invited to hold in line with accepted social custom, commercial purposes, or developing relationships.
3. Invitations to guests or attendance at commercial activities or factory visits as necessitated by business requirements, provided that such engagements are conducted in accordance with the Company's relevant regulations.
4. Attendance at folk festivals that are open to and invite the attendance of the general public.
5. Rewards, emergency assistance, condolence payments, or honorariums from the management.
6. Money, property, or other benefits with a market value of NT\$ 5,000 or less offered to or accepted from a person other than relatives or friends.
7. Property or received due to engagement, marriage, maternity, relocation, assumption of a

position, promotion or transfer, retirement, resignation, or severance, or the injury, illness, or death of the recipient or the recipient's spouse or lineal relative.

8. Other conduct that complies with the rules of the Company.

Article 7

(Procedures for handling the acceptance of improper benefits)

Except under any of the circumstances set forth in the preceding article, when any personnel of the Company are provided with or are promised, either directly or indirectly, any benefits as specified in Article 4 by a third party, the matter shall be handled in accordance with the following procedures:

1. If there is no relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall report to their immediate supervisor from the acceptance of the benefit, and the responsible unit shall be notified if necessary.
2. If a relationship of interest does exist between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall return or refuse the benefit, and shall report to his or her immediate supervisor and notify the responsible unit. When the benefit cannot be returned, then from the acceptance of the benefit, the personnel shall refer the matter to the responsible unit for handling.

A relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel," as referred to in the preceding paragraph, refers to one of the following circumstances:

1. When the two parties have commercial dealings, a relationship of direction and supervision, or subsidies (or rewards) for expenses.
2. When a contracting, trading, or other contractual relationship is being sought, is in progress, or has been established.
3. Other circumstances in which a decision regarding The Company's business, or the execution or non-execution of business, will result in a beneficial or adverse impact.

The responsible unit of the Company shall make a proposal, based on the nature and value of the benefit under paragraph 1, that it be returned, accepted on payment, given to the public, donated to charity, or handled in another appropriate manner. The proposal shall be implemented after being reported and approved by the Chairman and the President.

Article 8

(Prohibition of and handling procedure for facilitating payments)

The Company shall neither provide nor promise any facilitating payment.

If any personnel of the Company provides or promises a facilitating payment under threat or intimidation, they shall submit a report to their immediate supervisor stating the facts and shall notify the responsible unit.

Upon receipt of the report under the preceding paragraph, the responsible unit shall take immediate action and undertake a review of relevant matters in order to minimize the risk of recurrence. In a case involving alleged illegality, the responsible unit shall also immediately report to the relevant judicial agency.

Article 9

(Procedures for handling political contributions)

Political contributions by the Company shall be made in accordance with the following provisions:

1. It shall be ascertained that the political contribution is in compliance with the laws and regulations governing political contributions in the country in which the recipient is located, including the maximum amount and the form in which a contribution may be made.
2. A written record of the decision-making process shall be kept.
3. Account entries shall be made for all political contributions in accordance with applicable laws and regulations and relevant procedures for accounting treatment.
4. In making political contributions, commercial dealings, applications for permits, or carrying out other matters involving the interests of the Company with the related government agencies shall be avoided.

Article 10

(Procedures for handling charitable donations or sponsorships)

Charitable donations or sponsorships by the Company shall be provided in accordance with the following provisions:

1. It shall be ascertained that the donation or sponsorship is in compliance with the laws and regulations of the country where the Company is doing business.
2. A written record of the decision-making process shall be kept.
3. A charitable donation shall be given to a valid charitable institution and may not be a disguised form of bribery.
4. The returns received as a result of any sponsorship shall be specific and reasonable, and the subject of the sponsorship may not be a counterparty of the Company's commercial dealings or a party with which any personnel of the Company have a relationship of interest.
5. After a charitable donation or sponsorship has been given, it shall be ascertained that the destination to which the money flows is consistent with the purpose of the contribution.

Article 11

(Recusal)

When a director, officer or other stakeholder of the Company attending or present at a board meeting, or the juristic person represented thereby, has a stake in a matter under discussion in the meeting, that director, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of the Company would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner.

Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.

If in the course of conducting company business, any personnel of the Company discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions.

No personnel of the Company may use company resources on commercial activities other than those of the Company, nor may any personnel's job performance be affected by his or her

involvement in the commercial activities other than those of the Company.

Article 12

(Special unit in charge of confidentiality regime and its responsibilities)

The management, preservation, and confidentiality procedures for the Company's intellectual property, such as trade secrets, trademarks, patents, and copyrights, shall be handled in accordance with the 'Intellectual Property Management Measures' (A-A3-015), 'Confidential Information Management Measures' (A-A3-021), and other relevant regulations. Furthermore, the results of implementation shall be reviewed periodically to ensure the continuous effectiveness of these operating procedures.

All personnel of the Company shall faithfully follow the operational directions pertaining to intellectual properties as mentioned in the preceding paragraph and may not disclose to any other party any trade secrets, trademarks, patents, works, and other intellectual properties of the Company of which they have learned, nor may they inquire about or collect any trade secrets, trademarks, patents, and other intellectual properties of the Company unrelated to their individual duties.

Article 13

(Prohibition against unfair competition)

The Company shall follow the Fair-Trade Act and applicable competition laws and regulations when engaging in business activities, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.

Article 14

(Prevention of damage caused by products and services to stakeholders)

The Company shall collect and understand the applicable laws and regulations and international standards governing its products and services which it shall observe and gather and publish all guidelines to cause personnel of the Company to ensure the transparency of information about, and safety of, the products and services in the course of their research and development, procurement, manufacture, provision, or sale of products and services.

Where there are media reports, or sufficient facts to determine, that the Company's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, The Company shall immediately recall those products or suspend the services, verify the facts and present a review and improvement plan.

The responsible unit of the Company shall report the event as in the preceding paragraph, actions taken, and subsequent reviews and corrective measures taken to the board of directors.

Article 15

(Prohibition against insider trading and non-disclosure agreement)

All personnel of the Company shall adhere to the provisions of the Securities and Exchange Act, and may not take advantage of undisclosed information of which they have learned to engage in insider trading. Personnel are also prohibited from divulging undisclosed information to any other party, in order to prevent other party from using such information to engage in insider trading.

Any organization or person outside of the Company that is involved in any merger, demerger, acquisition and share transfer, major memorandum of understanding, strategic alliance, other business partnership plan, or the signing of a major contract by the Company shall be required to sign a non-disclosure agreement in which they undertake not to disclose to any other party any trade secret or other material information of the Company acquired as a result, and that they may not use such information without the prior consent of the Company.

Article 16

(Compliance and announcement of policy of ethical management)

The Company shall request its directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy.

The Company shall disclose its policy of ethical management in its internal rules, annual reports, on the company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.

Article 17

(Ethical management evaluation prior to development of commercial relationships) Before developing a commercial relationship with another party, such as an agent, supplier, customer, or other counterparty in commercial dealings, the Company shall evaluate the legality and ethical management policy of the party and ascertain whether the party has a record of involvement in unethical conduct, in order to ensure that the party conducts business in a fair and transparent manner and will not request, offer, or take bribes.

Article 18

(Statement of ethical management policy to counterparties in commercial dealings) Any personnel of the Company, when engaging in commercial activities, shall make a statement to the trading counterparty about The Company's ethical management policy and related rules, and shall clearly refuse to provide, promise, request, or accept, directly or indirectly, any improper benefit in whatever form or name.

Article 19

(Avoidance of commercial dealings with unethical operators)

All personnel of the Company shall avoid business transactions with an agent, supplier, customer, or other counterparty in commercial interactions that is involved in unethical conduct. When the counterparty or partner in cooperation is found to have engaged in unethical conduct, the personnel shall immediately cease dealing with the counterparty and blacklist it for any further business interaction in order to effectively implement the Company's ethical management policy.

Article 20

(Stipulation of terms of ethical management in contracts)

Before entering into a contract with another party, the Company shall gain a thorough knowledge of the status of the other party's ethical management, and shall make observance of the ethical management policy of the Company part of the terms and conditions of the contract, stipulating at the least the following matters:

1. When a party to the contract becomes aware that any personnel has violated the terms and conditions pertaining to prohibition of acceptance of commissions, rebates, or other improper benefits, the party shall immediately notify the other party of the violator's identity, the manner in which the provision, promise, request, or acceptance was made, and the monetary amount or other improper benefit that was provided, promised, requested, or accepted. The party shall also provide the other party with pertinent evidence and cooperate fully with the investigation. If there has been resultant damage to either party, the party may claim from the other party as damages, and may also deduct the full amount of the damages from the contract price payable.

2. Where a party is discovered to be engaged in unethical conduct in its commercial activities, the other party may terminate or rescind the contract unconditionally at any time.
3. Specific and reasonable payment terms, including the place and method of payment and the requirement for compliance with related tax laws and regulations.

Article 21

(Handling of unethical conduct by personnel of the Company)

As an incentive to insiders and outsiders for informing of unethical or unseemly conduct, the Company will grant a reward depending the seriousness of the circumstance concerned. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned is material.

The Company shall internally establish and publicly announce on its website and the intranet, or provide through an independent external institution, an independent mailbox or hotline, for insiders and outsiders of the Company to submit reports.

The handling of whistleblowing cases involving unethical conduct shall be conducted in accordance with the Company's 'Whistleblowing Procedures for Violations of Integrity Management' (A-A3-018).

Article 22

(Actions upon event of unethical conduct by others towards the Company)

If any personnel of the Company discovers that another party has engaged in unethical conduct towards the Company, and such unethical conduct involves alleged illegality, the Company shall report the relevant facts to the judicial and prosecutorial authorities; where a public service agency or public official is involved, the Company shall additionally notify the governmental anti-corruption agency.

Article 23

(Internal awareness sessions and establishment of a system for rewards, penalties, and complaints, and related disciplinary measures)

The responsible unit of the Company shall organize awareness sessions regularly and arrange for the chairperson, general manager, or senior management to communicate the importance of ethics to its directors, employees, and mandataries.

The Company shall link ethical management to employee performance evaluations and human resources policy, and establish clear and effective systems for rewards, penalties, and complaints.

If any personnel of the Company seriously violates ethical conduct, the Company shall dismiss the personnel from his or her position or terminate his or her employment in accordance with applicable laws and regulations or the personnel policy and procedures of the Company.

The Company shall disclose on its intranet information the name and title of the violator, the date and details of the violation, and the actions taken in response.

Article 24

(Enforcement)

These Procedures and Guidelines, and any amendments hereto, shall be implemented after adoption by resolution of the board of directors, and shall be reported to the shareholders meeting.

When these Procedures and Guidelines are submitted to the board of directors for discussion, each independent director's opinions shall be taken into full consideration, and their objections and reservations expressed shall be recorded in the minutes of the board of directors meeting. An independent director that is unable to attend a board meeting in person to express objection or reservation shall provide a written opinion before the board meeting unless there is a legitimate reason to do otherwise, and the opinion shall be recorded in the minutes of the board of directors

meeting.

Article 25

The Regulations were initially implemented on March 6, 2026.

Taiwan Hon Chuan Enterprise Co., Ltd.
Comparison Table of Amendments to the Procedures for Election of Directors

Date : 2025.05.29 (Amended)

Before the Revision	After the Revision	Description
<p><u>Article 9</u> <u>If a candidate is a shareholder, a voter must fill in the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall fill in the candidate's full name and identity card number in the said column.</u> <u>However, when the candidate is a government agency or a corporate shareholder, the name of the government agency or a corporate shareholder shall be filled in the "candidate" column in the ballot.</u> <u>Meanwhile, if there is a representative, the name of its representative shall be filled in as well.</u></p>	Delete	Amended in accordance with the applicable regulations
<p><u>Article 10</u> A ballot shall be deemed invalid under any of the following circumstances: 1. The ballot is not prepared in accordance with these Procedures. 2. A blank ballot is placed in the ballot box. 3. The writing is unclear and indecipherable. 4. <u>Any of the candidate's name, shareholder's account number or the number of votes cast for such candidates has been altered in the ballot.</u> 5. The candidate whose name is entered in the ballot does not</p>	<p><u>Article 9</u> A ballot shall be deemed invalid under any of the following circumstances: 1. The ballot used was not provided by <u>the party with the power to convene.</u> 2. A blank ballot is cast in the ballot box. 3. The entries are illegible or <u>have been altered.</u> 4. The candidate's name entered in the ballot does not match the <u>list of director candidates.</u> 5. The ballot contains any <u>other writing or marks</u> apart from the number of allocated voting rights</p>	<ol style="list-style-type: none"> 1. Corresponding adjustment to article numbering 2. Amended in accordance with the applicable regulations

Before the Revision	After the Revision	Description
<p>conform to the <u>shareholder register</u>.</p> <p>6. The name of the candidate filled in <u>the ballot is identical to that of another shareholder, but no shareholder account number is provided in the ballot to distinguish them.</u></p> <p>7. Other <u>written characters or symbols</u> are entered in addition to <u>the candidate's name, shareholder account number and the number of voting rights allotted.</u></p> <p>8. <u>The number of candidates filled in the ballot is exceeding the number of the seats to be elected.</u></p> <p>9. <u>The total votes cast by the voter are more than the total voting rights of such voter.</u></p>		
<p><u>Article 11</u> While the total votes cast by the voter is less than the total voting rights of such voters, the reduced amount shall be counted as abstention vote.</p>	<p><u>Article 10</u> While the total votes cast by the voter is less than the total voting rights of such voters, the reduced amount shall be counted as abstention vote.</p>	Corresponding adjustment to article numbering
<p><u>Article 12</u> The voting rights shall be calculated during the meeting immediately after the vote casting, and the results of the election shall be announced by the Chairman at the meeting and kept in agenda as well.</p>	<p><u>Article 11</u> The voting rights shall be calculated during the meeting immediately after the vote casting, and the results of the election shall be announced by the Chairman at the meeting and kept in agenda as well.</p>	Corresponding adjustment to article numbering
<p><u>Article 13</u> With regard to those matters not provided for in these procedures, the Company Act and the regulations of the Company shall govern.</p>	<p><u>Article 12</u> With regard to those matters not provided for in these procedures, the Company Act and the regulations of the Company shall govern.</p>	Corresponding adjustment to article numbering
<p><u>Article 14</u> The procedures, and any amendments thereof, shall take effect after approval by the shareholders' meeting. It shall be considered as announcement if there is no objection and the effect is equal to</p>	<p><u>Article 13</u> The procedures, and any amendments thereof, shall take effect after approval by the shareholders' meeting. It shall be considered as announcement if there is no objection and the effect is equal to</p>	Corresponding adjustment to article numbering

Before the Revision	After the Revision	Description
vote by ballot.	vote by ballot.	
<u>Article 15</u> These procedures and any amendments hereto, shall take effect after approval by shareholders' meeting.	<u>Article 14</u> These procedures and any amendments hereto, shall take effect after approval by shareholders' meeting.	Corresponding adjustment to article numbering

Attachment VII

List of Directors (including Independent Directors) Candidates

Title	Name	Gender	Education	Major Past Positions	Current Positions	Shareholdings (Shares)
Director	Ya-Wen, Cheng	Female	<ul style="list-style-type: none"> B.S. in Economics, National Taiwan University M.S. in Accounting, University of Illinois at Urbana Champaign, U.S.A CPA of Taiwan, U.S.A and Australia 	<ul style="list-style-type: none"> Manager, Senior Assistant Vice President, Vice President, and Group Vice President, Financial Dept., THC Assistant Manager, KPMG, Taiwan 	<ul style="list-style-type: none"> Chairman, THC Director, Hon Chuan Investment Co., Ltd. Director, Hon Tong Investment Co., Ltd. 	585,743
Director	Hung-Yu, Tsao	Male	B.S. in Economics, York University	Executive Assistant and Manager, General Administration Dept., THC	<ul style="list-style-type: none"> President, THC Director, Hsih-Yueh Development Co., Ltd. President, Fan and Tsao Company 	6,674,333
Director	Hong-I, Dai	Male	<ul style="list-style-type: none"> Ph. D. in Infrastructure Planning and Engineering, Feng Chia University Master Degree in urban design, University of Sydney, Australia Department of Architecture, Tamkang University A Chartered Architect in ROC 	<ul style="list-style-type: none"> Dai Hongyi Architects Chairman, Ren Sun Construction Co., Ltd. 	<ul style="list-style-type: none"> Director, THC Dai Hongyi Architects Chairman, Ren Sun Construction Co., Ltd., Hong-I investment Co., Ltd., Hong-Shan investment Co., Ltd. Chairman, Hon Tung Construction Co., LTD. Member of Building Regulations, Taichung City Assistant Professor, Department of Architecture, Feng Chia University Assistant Professor, Department of Landscape design, National Chin-Yi University of Technology An arbitrator of Chinese Arbitration Association, Taipei 	5,807,111 (Including 1,800,000 shares under trust with discretion reserved.)
Director	Hsin-Wen, Tsao	Female	B.S. in Economics of University of Toronto	Section Manager, Junior Manager, and Assistant Manager, Financial Dept., THC	<ul style="list-style-type: none"> Assistant Manager, General Administration Dept., THC Director, Hsih-Yueh Development Co., Ltd. 	2,102,110 (Including 428,000 shares under trust with discretion reserved.)
Director	Wen-Pin, Pai	Male	<ul style="list-style-type: none"> Ming-Dao High School Completed a Business Management course at Tunghai University 	Manager, Assistant Vice President, Vice President, Vice Chairman, Sales Dept., THC	Group Vice Chairman, THC	13,044

Title	Name	Gender	Education	Major Past Positions	Current Positions	Shareholdings (Shares)
Director	An-Chi, Dai	Female	<ul style="list-style-type: none"> • Bachelor Degree in Finance, Cornell University • Master Degree in Global Leadership, Tsinghua University, Beijing, China • Chartered Financial Analyst (CFA) 	<ul style="list-style-type: none"> • Equity Research Associate, UBS Securities • Equity Research Associate, Credit Suisse AG • M&A Advisor, Deloitte & Touche Consulting Co. • Institutional Sales, BlackRock Asset Management North Asia Limited 	Executive Assistant to the Chairman, THC	2,130,589

List of Directors (including Independent Directors) Candidates

Title	Name	Education	Major Past Positions	Current Positions	Shareholdings (Shares)
Independent Director	Hsiang-Ying, Huang (Note)	<ul style="list-style-type: none"> Ph. D. in Public Finance and Economics, Central University of Finance and Economics, Beijing, China Master Degree in Accounting, National Chengchi University Bachelor Degree in Accounting, Fu Jen Catholic University 	<ul style="list-style-type: none"> Partnership Accountant of BDO Taiwan Joint Accounting Firm Lecturer, Ling Tung University Lecturer, Chaoyang University of Technology Independent Director, Sino-American Silicon Products Inc. Deputy Section Manager of Finance Division, Administration Department, The Far Eastern Group 	<ul style="list-style-type: none"> Partnership Accountant of EnWise CPAs & Co. Independent Director, THC Independent Director, InterServ International Inc. Independent Director, WFE Technology Corp. Member of Remuneration Committee, Lelon Electronics Corp. Member of Remuneration Committee, Liton Technology Corp. 	0
Independent Director	Po-Yuan, Cho	<ul style="list-style-type: none"> Bachelor Degree in Law, National Taiwan University Master Degree in Law, National Taiwan Ocean University Honors Ph. D in, National Changhua University of Education Ph.D. Student in National Development, National Taiwan University 	<ul style="list-style-type: none"> The 15th and 16th County mayor in Changhua County Secretary General of Kuomintang caucus in Legislative Yuan The 5th and 6th Members of the Legislative Yuan Deputy County Mayor in Changhua County The 13th and 14th County council member in Changhua County Received Award of Phoenix from National Fire Agency, Ministry of the Interior Chair Emeritus Professor of General Education in Dayeh University 	<ul style="list-style-type: none"> Independent Director, THC Vice President, NTU Alumni Association Director, Chaoyang University of Technology Associate Dean, Taiwan Development Institute President, Central Taiwan Association Alliance, Taiwan Listed Companies Association 	0
Independent Director	Kuo-Ming, Huang	<ul style="list-style-type: none"> LL.M., Queen Mary, University of London Bachelor Degree in Law, Soochow University Attorney at Law in Taiwan Passed the Special Examination for judges and Prosecutors Senior Securities Specialist and Futures Specialist Intellectual Property Training Certification, Sustainability Manager, and Personal Information Administrator 	<ul style="list-style-type: none"> Prosecutor, Taipei Prosecutor's Office Prosecutor, New Taipei Prosecutor's Office Prosecutor, Northern District Military Court, MND Lawyer, Jones Day 	<ul style="list-style-type: none"> Managing Partner, Formosan Brothers Attorneys-at-law Lecturer, Securities & Futures Institute, Institute of International Auditors-Chinese Taiwan, etc. Independent Director, Boretech Resource Recycling Engineering Co., Ltd. Independent Director, Solytech Enterprise Corporation 	0

Note: Rationale for nomination of independent director who has served for three or more consecutive terms: Independent Director Hsiang-Ying, Huang possesses extensive expertise and experience in accounting and finance, which significantly contributes to the company's international business operations.

Taiwan Hon Chuan Enterprise Co., Ltd

Rules and Procedures for Shareholders' Meeting

Date : 2023.05.31 (Amended)

Article 1

Shareholders' Meeting of the Company (the "Meeting") shall be conducted in accordance with the Rules and Procedures for Shareholders' Meeting ("Rules"). Any matters not provided herein shall be handled in accordance with the Articles of Incorporation, Company Law, and other relevant laws and regulation.

Article 2

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

Unless otherwise provided by the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company convenes a virtual shareholders meeting, which shall be specified in its Articles of Incorporation. It shall obtain approval by a majority vote of the directors in attendance at a board of directors meeting attended by two-thirds or more of the directors before proceeding to convene the meeting.

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

Article 3

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

The time for shareholders to register, as stated in the preceding paragraph, shall start at least 30 minutes prior to the time the Meeting commences. The place for registration shall be clearly marked and a sufficient number of qualified staffs shall be assigned to handle the registrations. For virtual shareholders meetings, shareholders shall begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.

Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification. The Company shall prepare an attendance book for shareholders to sign, or attending shareholders may hand in a sign-in card in lieu of signing on the attendance book.

When the government or a legal entity is a shareholder, it may be represented by more than one representative at Meeting.

When a legal entity is appointed to attend as proxy, it may designate only one representative to attend the Meeting.

In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.

In the event of a virtual shareholders meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 3-1

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

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

Article 4

Chairman shall call the Meeting to order at the time scheduled for the Meeting and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the Meeting. If the number of shares represented by the shareholders

present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the chairman may postpone the time for the Meeting. The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in the aggregate. If after two postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one - third of the total outstanding shares, tentative resolutions may be made in accordance with Section 1 of Article 175 of the Company Law of the Republic of China. The aforesaid tentative resolutions shall be executed in accordance with relevant provisions of the Company Law of the Republic of China; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 3.

If the quorum is not met after two postponements as referred to in the preceding paragraph and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.

If during the process of the Meeting the number of outstanding shares represented by the shareholders present becomes sufficient to constitute the quorum, the chairman may submit the tentative resolutions to the Meeting for approval in accordance with Article 174 of the Company Law of the Republic of China.

Article 5

The agenda of the Meeting shall be set by the Board of Directors if the Meeting is convened by the Board of Directors. Unless otherwise resolved at the Meeting, the Meeting shall proceed in accordance with the agenda. The above provision applies mutatis mutandis to cases where the Meeting is convened by any person, other than the Board of Directors, entitled to convene such Meeting.

Article 6

During the Meeting, the chairman may, at his discretion, set time for intermission. 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.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 7

Except the motions enumerated on the agenda, any new motion, or any amendment or alternative for one motion shall be seconded by other shareholders.

Article 8

When a shareholder present at the Meeting wishes to speak, a Speech Note should be filled out with summary of the speech, the shareholder's number (or the number of Attendance Card) and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chairman. If a corporate shareholder designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item.

If any shareholder present at the Meeting submits a Speech Note but does not speak, no speech should be deemed to have been made by such shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the Speech Note, the contents of actual speech shall prevail. Unless otherwise permitted by the chairman and the shareholder in speaking, no shareholder shall interrupt the speeches of the other shareholders; otherwise the chairman shall stop such interruption.

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

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 2 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

Article 9

The Chairman of the Board of Directors shall be the chairman presiding at the Meeting in the case that the Meeting is convened by the Board of Directors. If, for any reason, the Chairman of the Board of Directors cannot preside at the Meeting, the Vice Chairman of the Board of Directors or one of the Directors shall preside at the Meeting.

In the event that another person is entitled to convene the Meeting, such person shall be the chairman to preside at the Meeting.

In the event that a director is appointed to chair a meeting as the substitute for the chairperson as mentioned in the preceding paragraph, such director shall be the one who has served as a director for a minimum of six months and who is fully aware of the Company's financial standing. This same provision is equally mutatis mutandis applicable to an event where the chairperson is the representative of an institutional or corporate director.

Article 10

The Company may invite its lawyers, CPAs or other related persons to attend the Meeting. The staff handling affairs of the Meeting shall wear identification cards or badges.

Article 11

Unless otherwise permitted by the chairman, each shareholder shall not, for each discussion item, speak more than two times (each time not exceeding 5 minutes). In case the speech of any shareholder violates the above provision or exceeds the scope of the discussion item, the

chairman may stop the speech of such shareholder.

Article 12

The chairman may announce to end the discussion of any resolution and go into voting if the Chairman deems it appropriate.

Article 13

If there is an amendment or alternative for one motion, the chairman may combine the amendment or alternative into the original motion, and decide the orders for resolution. If any one of them has been resolved, the others shall be deemed rejected and no further voting is necessary.

Article 14

The person(s) supervising the casting of votes and counting the ballots shall be appointed by the chairman. The person(s) supervising the casting of votes shall be a shareholder(s). The result of voting shall be announced at the Meeting and written into records.

Article 15

The Company, beginning from the time it accepts shareholders' 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.

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

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

In case of a virtual shareholders meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 16

Unless otherwise provided by the Company Act or the Company's Articles of Incorporation, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the meeting. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

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 the Company.

Relevant motions shall be resolved by way of vote on a case-by-case basis with sufficient voting time allowed.

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.

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

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

When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

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

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

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

Article 17

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

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of the Company.

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

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

Article 18

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

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

If matters put to a resolution at a shareholders meeting constitute material information under

applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 19

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

Article 20

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

Article 21

In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

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

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

During a postponed or resumed session of a shareholders meeting held under the first paragraph, no further discussion or resolution is required for proposals for which votes have

been cast and counted and results have been announced, or list of elected directors.

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

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

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

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

Article 22

When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.

In addition to the regulations of Article 44-9, paragraph 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company at least provided for shareholders connection equipment and assistance. It shall specify a period of shareholders applying to the Company and other matters for attention.

Article 23

These Regulations shall take effect after having been submitted to and approved by a

shareholders meeting. Subsequent amendments thereto shall be affected in the same manner.

Taiwan Hon Chuan Enterprise Co., Ltd

Articles of Incorporation

Chapter 1 General Principles

Article 1 The Company is duly incorporated in accordance with Company Act, with the name of 宏全國際股份有限公司 and the English name of Taiwan Hon Chuan Enterprise Co., Ltd. (hereinafter referred to as the Company).

Article 2 The scope of business of the Company shall be as follows :

1. C805010 Manufacture of Plastic Sheets, Pipes and Tubes.
2. C805990 Other Plastic Products Manufacturing.
3. C110010 Beverage Manufacturing.
4. C102010 Manufacture of Dairy Products.
5. CB01010 Mechanical Equipment Manufacturing.
6. CB01990 Other Machinery Manufacturing.
7. F206030 Retail Sale of Molds.
8. F206010 Retail Sale of Hardware.
9. CA02990 Other Metal Products Manufacturing.
10. CA02010 Manufacture of Metal Structure and Architectural Components.
11. CA02060 Metal Containers Manufacturing.
12. C801100 Synthetic Resin & Plastic Manufacturing.
13. C701010 Printing.
14. C805020 Manufacture of Plastic Films and Bags.
15. C805030 Plastic Daily Necessities Manufacturing.
16. CC01090 Manufacture of Batteries and Accumulators.
17. CC01080 Electronic Parts and Components Manufacturing.
18. F401010 International Trade.
19. F102030 Wholesale of Tobacco and Alcohol.
20. F102040 Wholesale of Nonalcoholic Beverages.
21. F401171 Alcohol Drink Import.
22. C801010 Basic Chemical Industrial.
23. F213080 Retail Sale of Machinery and Tools.
24. F299990 Retail Sale of Other Products.
25. CA01990 Other Non-ferrous Metal Basic Industries.
26. CZ99990 Manufacture of Other Industrial Products Not Elsewhere Classified.
27. IZ06010 Tally Packaging.
28. F103010 Wholesale of Animal Feeds.
29. F202010 Retail Sale of Feeds.
30. F107050 Wholesale of Fertilizer.
31. F207050 Retail Sale of Fertilizer.
32. F121010 Wholesale of Food Additives.
33. F221010 Retail of Food Additives.
34. F102180 Wholesale of Alcohol.
35. F203030 Retail Sale of Alcohol.
36. F203020 Retail Sale of Tobacco and Alcohol.
37. F401161 Tobacco Products Import.
38. A102060 Grain Commerce.
39. F201010 Retail sale of Agricultural Products.

40. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1 The total amount of the investment made by the Company may exceed forty percent of its paid-in capital and the Board of Directors is authorized to execute the investment.

Article 2-2 The Company may provide guarantees to others when necessary for its business.

Article 3 The Company has its head office in Taichung City, Taiwan and may, when necessary, set up branch offices in other appropriate places; the setting up, address change, or the cancellation of the branch offices shall be made according to the resolutions adopted at the meeting of the Board of Director.

Article 4 Public announcements of the Company shall be made in accordance with the provisions of Article 28 of the Companies Law.

Chapter 2 Shares

Article 5 The total authorized capital of the Company shall be in the amount of NT\$3,500,000,000, divided into 350,000,000 shares, at a par value of NT\$10. The remaining unissued shares may be issued in installments subject to the resolution of the Board of Directors upon the Company's operation needs.

Article 6 The share certificates of the Company shall be issued with signature and seal specimen by three or more directors after being authenticated by competent governmental authority in accordance with law. After the shares being issued to the public, the Company may be exempted from printing any share certificate for the shares issued, but shall appoint a centralized securities custody institution to make recordation of the issue of such shares.

Article 6-1 The share certificate of the Company may be printed in combination form with a higher denomination upon the request of the Taiwan Securities Depository & Clearing Corporation.

Article 7 The handling of stock affairs of the Company, except otherwise provided for in applicable laws and regulations, shall be subject to the Guidelines for Handling Stock Affairs by Public Companies prescribed by the Securities and Futures Commission.

Article 8 Registered share certificates shall be assigned by the holder thereof by way of endorsement and the name or title of the assignee shall be indicated on the share certificate. The transfer of shares shall not be effective against the Company, unless name/title and residence/domicile of the transferee have been recorded in the shareholders' register.

Article 9 Registration on shareholders' register for share transfer shall be suspended for sixty days before any ordinary shareholders' meeting, thirty days before any extraordinary shareholders' meeting, and five days before the record date for determination of the shareholders entitled to dividends or any other profit distributions by the Company.

Chapter 3 Shareholders' Meeting

Article 10 Shareholders' meetings of the Company are of two kinds: ordinary shareholders' meetings and extraordinary shareholders' meetings. Ordinary shareholders' meeting shall be convened at least once a year within six months after the close of each accounting year; extraordinary shareholders' meetings shall be convened in accordance with the law whenever necessary.

The Company's shareholders' meeting can be held by means of video conference or other methods promulgated by the central competent authority.

Article 11 If a shareholder is unable to attend a shareholders' meeting, he/she may appoint an agent on his/her behalf by executing and issuing a proxy in accordance with Article 177 of Company Act.

Article 12 The chairman of the Board of the Company shall preside at the shareholders' meeting. In case the chairman of the Board of the Company is absent, the one who shall preside at the shareholders' meeting shall be elected in accordance with Paragraph 3 of Article 208 of Company Act.

Article 13 Shareholders of the Company shall be entitled to one vote for each share held by them.

However, shares under limitation or with no voting power in accordance with Company Act enjoy no voting power.

Article 14 Any resolutions at a shareholders' meeting shall, unless otherwise provided for in Company Act, be adopted by the majority present at a shareholders' meeting at which shareholders of more than one-half of the issued and outstanding shares present.

Article 15 The resolutions of the shareholders' meeting shall be recorded in the minutes, and shall be distributed in accordance with Article 183 of Company Act.

Chapter 4 Board of Directors Audit Committee

Article 16 The Company shall have seven to nine directors, all to be elected by shareholders with full legal capacity and with the election be done through the candidate nomination system for a term of three years and shall be eligible for re-election.

Said directors shall include no less than three independent directors, and the independent directors shall be no less than one-fifths of directors' seats. The independent directors shall be elected from the list of candidates in a shareholders' meeting. The qualification, shareholding, restriction on part-time jobs, nomination and election of independent directors and other matters to be complied with shall be handled in compliance with Company Act and other relevant requirement of the competent security authority.

The company may acquire liability insurance for all directors every year.

Article 16-1 When the Company's directors perform Company duties, the Company may pay remuneration regardless of whether the Company operates at a profit or loss. The Board of Directors is authorized with powers to resolve the rates of such

remuneration based on the extent of their participation in the Company's business operations or value of their contribution, at a level consistent with general practices in the industry. If the Company operates at a profit, they also may allocate remuneration in accordance with Article 28.

Article 17 In the event more than one-third of the directors are discharged, a shareholders' meeting shall be convened to elect replacement directors. The term shall be subject to the original term of the directors.

Article 17-1 The functions of the board of directors shall be as follows:

1. Proposing the amendments to the Articles of Incorporation;
2. Determining, supervising and executing the business plan;
3. Setting up and winding up branches;
4. Reviewing budgets, closing of accounts, and business reports;
5. Approving the investment in other companies or acquirement of the shares of other companies;
6. Appointing and discharging the accountants who certify the financial reports for the Company;
7. Appointing and discharging corporate officials at the level of deputy general manager and higher;
8. Preparing proposals for increase or decrease capital;
9. Proposing appropriation of earnings or make up of loss;
10. Proposing acquisition and disposal of important assets;
11. Approving external endorsements and guarantees of company;
12. Approving important contracts or other material matters;
13. Other duties and powers granted by or in accordance with the Company Act or shareholders' resolutions.

Article 18 In case the Company is unable to elect new directors immediately after the expiration of the term of their office, the existing directors shall continue to perform their duties until re-election within a time limit given by the competent authority.

Article 19 The Board of Directors shall be composed of directors. The Chairman of the Board shall be elected from among the directors by a majority vote at a meeting attended by over two-thirds of the directors. The Chairman of the Board of Directors shall conduct the Company's all business in accordance with applicable laws, regulations, Articles of Incorporation, resolutions of the shareholders' meeting and the resolutions of the Board of Directors.

Article 20 The business strategy and other important matters of the Company shall be resolved by the Board of Directors. Meetings of the Board of Directors shall be convened and presided by the Chairman of the Board of Directors, except for the first meeting of each term of the Board of Directors that shall be convened in accordance with Article 203 of Company Act. The Chairman of the Board of Directors shall act as the chairman. In the event that the Chairman of the Board of Directors cannot execute his duties for any cause, the director appointed by the Chairmen shall act on his behalf; in the absence of such appointment, the director who is elected from among the directors shall handle.

Article 21 Any resolution at a meeting of the Board of Directors shall be adopted if voted in favor by the majority present at a meeting of the Board of Directors at which more than half of the directors are present unless otherwise stipulated in Company Act. In

case a director is unable to attend the meeting of the Board of Directors, the director is unable to attend the meeting of the Board of Directors, the director may, by issuing a proxy specifying the scope of agency, designate one of the other directors to act for and on his/her behalf, but a director may only act for one other director.

Article 22 The resolution of the meeting of Board of Directors shall be recorded in the minutes, and the minutes shall be signed or sealed by the chairman of the meeting and shall be distributed to the directors within twenty days after the meeting. The minutes of the meeting of Board of Directors, shall record a summary of the essential points of the proceedings and results of the meeting. The minutes of the meeting of Board of Directors, the attendance list bearing the signatures of directors present at the meeting, and the powers of attorney of the proxies shall be kept in the Company.

Article 23 In accordance with Article 14-4 of Securities and Exchange Act, the Company shall establish an Audit Committee, which consists of all independent directors. The power and relevant affairs of Audit Committee and its members shall be devised in compliance with laws and regulations of competent authority.

Article 24 The Company may have several managers. The appointment, discharge, and remuneration shall be handled in accordance with Article 29 of the Company Act. Among the managerial personnel, the General Manager is authorized to sign on behalf of the Company. Other managers shall not sign on behalf of the Company unless duly authorized in writing.

Article 25 The Company may have president, vice president, chief executive officer, vice chief executive officer, consultant and important employees according to the resolution of the Board of Directors. Board of Directors may decide to have remuneration Committee or other functional committees to meet operation needs.

Chapter 5 Managers and Employees

Article 26 The appointment and discharge of the employees of the Company shall be decided by the managers and submitted to the Board of Directors for recordation.

Chapter 6 Accounting

Article 27 At the end of each fiscal year, the Board of Directors shall prepare (1) business report, (2) financial statements, (3) proposal for appropriation of earnings or covering of loss, etc., and deliver the same to shareholders' meeting for approval.

Article 28 Annual profits before income tax, employees' compensation, and directors' remuneration shall be resolved by board of directors to allocate 1.5% to 15% of said profit for employee compensation and a maximum of 3% of said profit as remuneration to directors.

Employee compensation referred to in the preceding paragraph shall be allocated 20% or more for its non-executive employees.

Employee's compensation may be distributed in the form of shares or in cash, and employees qualified to receive such compensation may include employees from holding or affiliates companies who meet the qualifications which the Board of

Directors stipulates.

The issues relevant to distribution of employee compensation and director remuneration shall be set by resolutions of the Board of Directors. If the Company has accumulated losses, it shall first deduct the accumulated losses, and then calculate the compensation from the remaining amount.

Article 29 Upon closing of accounts, if there shall be any net profit, the Company shall make up the losses for the preceding years, then set aside a legal reserve of 10% of the net profit unless the statutory surplus reserve has reached the total capital and then set aside or rotate special reserves; Any further remaining amount shall be added to the unallocated surplus from the prior year as shareholder dividend and bonus. The Board of Directors shall draft a proposal to distribute the surplus, which shall be approved at a shareholders' meeting.

If the distributable dividend, bonus, capital surplus or legal reserve in whole or in part are to be paid in the form of cash, the Board of Directors is authorized to implement by a resolution to be adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

The dividend policy of the Company shall be made according to the Company's current and future plan, considering investment environment, fund requirements, overall competition and taking into account the interests of shareholders. The Company may appropriate more than 30% of net profits of current year for dividends to shareholders. However, when accumulated un-appropriated earnings are less than 10% of capital, the Company may decide not to distribute dividend.

The shareholder dividend shall be in the form of cash dividend or stock dividend. More than (or equal to) 50% of the total amount of shareholders dividend shall be in the form of cash dividend.

Chapter 7 Supplementary Provisions

Article 30 The organizational rules and detailed procedures for business operations of the Company shall be determined by Board of Directors.

Article 31 With regard to those matters not provided for in these Articles of Incorporation, the Company Act and other relevant laws and regulations of the Republic of China shall govern.

Article 32 These Articles of Incorporation were adopted on 16 June 1969.
The First Amendment was made on 5 November 1973.
The Second Amendment was made on 1 July 1976.
The Third Amendment was made on 13 March 1979.
The Fourth Amendment was made on 5 December 1980.
The Fifth Amendment was made on 22 March 1982.
The Sixth Amendment was made on 27 April 1982.
The Seventh Amendment was made on 10 November 1983.
The Eighth Amendment was made on 10 November 1984.
The Ninth Amendment was made on 13 October 1985.
The 10th Amendment was made on 1 January 1988.

The 11th Amendment was made on 10 November 1988.
The 12th Amendment was made on 4 July 1989.
The 13th Amendment was made on 10 November 1989.
The 14th Amendment was made on 25 March 1991.
The 15th Amendment was made on 15 July 1991.
The 16th Amendment was made on 24 April 1992.
The 17th Amendment was made on 1 April 1993.
The 18th Amendment was made on 26 April 1993.
The 19th Amendment was made on 13 September 1993.
The 20th Amendment was made on 17 December 1993.
The 21st Amendment was made on 30 May 1994.
The 22th Amendment was made on 5 May 1995.
The 23th Amendment was made on 29 May 1995.
The 24th Amendment was made on 30 November 1995.
The 25th Amendment was made on 31 May 1996.
The 26th Amendment was made on 11 June 1997.
The 27th Amendment was made on 11 June 1998.
The 28th Amendment was made on 20 April 1999.
The 29th Amendment was made on 17 November 1999.
The 30th Amendment was made on 18 April 2000.
The 31th Amendment was made on 31 May 2001.
The 32th Amendment was made on 31 May 2001.
The 33th Amendment was made on 7 May 2002.
The 34th Amendment was made on 18 June 2003.
The 35th Amendment was made on 15 June 2004.
The 36th Amendment was made on 14 June 2005.
The 37th Amendment was made on 23 June 2006.
The 38th Amendment was made on 19 June 2009.
The 39th Amendment was made on 20 June 2012.
The 40th Amendment was made on 19 June 2013.
The 41th Amendment was made on 29 June 2015.
The 42th Amendment was made on 22 June 2016.
The 43th Amendment was made on 15 June 2017.
The 44th Amendment was made on 19 June 2019.
The 45th Amendment was made on 17 June 2022.
The 46th Amendment was made on 31 May 2023.
The 47th Amendment was made on 29 May 2025.

Taiwan Hon Chuan Enterprise Co., Ltd.

Procedures for Election of Directors (Original)

Date : 2017.06.15 (Amended)

- Article 1** Election of directors shall be conducted in accordance with relevant laws and the procedures specified herein.
- Article 2** Election of directors shall be held at the shareholders' meeting.
- Article 3** Any shareholder with full legal capacity may be elected to be directors of the Company in accordance with the procedures specified herein.
- Article 4** The registered cumulative voting method shall be used for election of the directors. The name of voter may be replaced with the attendance card serial numbers printed on the ballots. Each share shall have voting rights equivalent to the number of seats to be elected and such voting rights can be combined to vote for one candidate or divided to vote for several candidates. The elections of independent directors and non-independent directors shall be conducted at the same time, but the numbers to be elected shall be separately calculated.
- Article 5** Based upon the number of vacancy in positions specified in the Articles of Incorporation, candidates with the higher number of votes shall be elected as independent directors or directors respectively. When two or more candidates receive the same number of votes, thus exceeding the specified number of positions, such candidates shall draw lots to determine the winner, and the Chairman shall draw lots on behalf of any candidate not in attendance.
- Article 6** The board of directors shall prepare ballots on which should affix company seal. Attendance card numbers and the number of voting rights of voting shareholders shall be specified on the ballots as well.
- Article 7** Before the election begins, the Chairman shall appoint several persons to check and count the ballots.
- Article 8** The ballot boxes used for the voting shall be prepared by the board of directors and are checked in public by the persons described in Article 7 before voting.
- Article 9** If a candidate is a shareholder, a voter must fill in the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall fill in the candidate's full name and identity card number in the said column. However, when the candidate is a government agency or a corporate shareholder, the name of the government agency or a corporate shareholder shall be filled in the "candidate" column in the ballot. Meanwhile, if there is a representative, the name of its representative shall be filled in as well.
- Article 10** A ballot shall be deemed invalid under any of the following circumstances:
1. The ballot is not prepared in accordance with these Procedures.

2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable.
4. Any of the candidate's name, shareholder's account number or the number of votes cast for such candidates altered in the ballot.
5. The candidates' name filled in the ballot does not conform with that given in the shareholder register.
6. The name of the candidate filled in the ballot is identical to that of another shareholder, but no shareholder account number is provided in the ballot to distinguish them.
7. Ballots contain other written characters or symbols in addition to the candidate's name, shareholder account number and the number of votes cast for the candidate.
8. The number of candidates filled in the ballot is exceeding the number of the seats to be elected.
9. The total votes cast by the voter are more than the total voting rights of such voter.

Article 11 While the total votes cast by the voter is less than the total voting rights of such voters, the reduced amount shall be counted as abstention vote.

Article 12 The voting rights shall be calculated during the meeting immediately after the vote casting, and the results of the election shall be announced by the Chairman at the meeting and kept in agenda as well.

Article 13 With regard to those matters not provided for in these procedures, the Company Act and the regulations of the Company shall govern.

Article 14 The procedures, and any amendments thereof, shall take effect after approval by the shareholders' meeting. It shall be considered as announcement if there is no objection and the effect is equal to vote by ballot.

Article 15 These procedures and any amendments hereto, shall take effect after approval by shareholders' meeting.

Taiwan Hon Chuan Enterprise Co., Ltd

Shareholdings of All Directors

1. The Company Paid-in Capital is NTD\$ 2,957,864,750 and the Company has issued a total of 295,786,475 shares as of March 31, 2025.
2. According to the stipulations of Article 26 of the Securities and Exchange Act and Rules and Review Procedures for Director Share Ownership Ratios at Public Companies, the total shareholding of the Company's directors shall not be less than 12,000,000 shares.
3. As of the share transfer suspension date of this Shareholders' meeting, the numbers of shares held by the respective and all directors as denoted in the shareholders list are as follows: (The Company has conformed with minimum shareholding requirement by Article 26 of the Securities Exchange Act):

Position	Name	Date elected	Tenure of office	Current shareholding (Up to March 31, 2026)	
				Shares	Shareholding ratio
Chairman	Ya-Wen, Cheng	2023.05.31	3 years	585,743	0.20%
Director	Hung-Yu, Tsao	2023.05.31	3 years	6,674,333	2.26%
Director	Hung-I, Dai	2023.05.31	3 years	5,807,111 (Including 1,800,000 shares under trust with discretion reserved.)	1.96%
Director	Chun-Shu, Chang	2023.05.31	3 years	2,689,033	0.91%
Director	Yun-Chang, Liu	2023.05.31	3 years	704,632	0.24%
Director	Hsin-Wen, Tsao	2023.05.31	3 years	2,102,110 (Including 428,000 shares under trust with discretion reserved.)	0.71%
Independent Director	Chao-Nan, Hung	2023.05.31	3 years	0	0.00%
Independent Director	Hsiang-Ying, Huang	2023.05.31	3 years	0	0.00%
Independent Director	Po-yuan, Cho	2023.05.31	3 years	0	0.00%
Total number of shares held by all Directors				18,562,962	6.28%

MEMO



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