



Stock Code
1109

Hsing Ta Cement Co., LTD.
2026 Annual Shareholders' Meeting
Handbook

Hsing Ta Cement Co., LTD. Website
<http://www.hsingta.com.tw>
Market Observation Post System
<http://mops.twse.com.tw>

June 16, 2026

This English version is a translation based on the original Chinese version.
Where any discrepancy arises between the two versions, the Chinese version shall prevail.

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Hsing Ta Cement Co., LTD.
2026 Annual Shareholders' Meeting Procedures

1. Commence Meeting
2. Chairman Takes the Chair
3. Chairman Remarks
4. Reporting Matters
5. Proposed Resolutions
6. Discussions
7. Extempore Motion
8. Adjournment

Hsing Ta Cement Co., LTD.

2026 Annual Shareholders' Meeting Agenda

Time: 9 a.m., Tuesday June 16, 2026

Meeting Method: Physical shareholders' meeting

Venue: Rm 願景, 6F-6, No.51, Hengyang Rd., Zhongzheng Dist. Taipei City (Taipei Foundation of Finance)

Chairman's Remarks

Reporting Matters

- (1) Presenting the Company's 2025 Business Report and Financial Statements
- (2) Audit Committee's Review of 2025 Annual Financial Statements
- (3) Presenting the Company's 2025 Employees' Compensation and Directors' Remuneration Distribution
- (4) Report on the Status of Endorsements and Guarantees

Proposed Resolutions

- (1) Adoption of the Company's 2025 Annual Accounting Final Reports and Statements
- (2) Adoption of the Proposal for the Company's Distribution of 2025 Profits

Discussions

Extempore Motion

Adjournment

Reporting Matters

- (1) Please refer to pages 5~33 of this manual for the Company's 2025 Business Report and Financial Statements.
- (2) Please refer to page 34 of this manual for Audit Committee's Review Report of 2025 Annual Financial Statements.
- (3) Please refer to page 35 of this manual for 2025 Distribution Report of Employees' Compensation and Directors' Remuneration.
- (4) Please refer to page 35 of this manual for Endorsement and Guarantee Report.

Proposed Resolutions

I.

Proposed by the Board of Directors

Proposal:

Adoption of the Company's 2025 Annual Financial Statements.

Explanation:

- (1) The Company's 2025 Annual Financial Statements, including Business Report and Financial Statements, were prepared by the Board of Directors and have been audited by the Audit Committee and CPA.
- (2) Please refer to pages 5~33 of this manual for the Annual Financial Statements and Independent Auditor's Report.
- (3) The agenda has been proposed for acknowledgment.

Resolution:

II.

Proposed by the Board of Directors

Proposal:

Adoption of the Proposal for the Company's Distribution of 2025 Profits.

Explanation:

- (1) A Proposal for Distribution of 2025 Profits (please refer to page 35 of this manual) has been adopted by the Board of Directors in accordance with the Company Act and Articles of Incorporation and audited by Audit Committee.
- (2) The company plans to appropriate NT\$307,042,981 of distributable earnings for cash dividend distribution, namely NT\$0.9 per share calculated on the basis of the Company's actual number of outstanding shares. The cash dividends being distributed shall be rounded off proportionately to the nearest Taiwan dollar and the sum of all cash dividends less than NT\$1 shall be transferred to other income of the Company.
- (3) Subject to approval of this shareholders' meeting, the Chairman of the Board of Directors is authorized to determine the cash dividend record date.
- (4) The agenda has been proposed for acknowledgment.

Resolution:

Discussions

Extempore Motion

Adjournment

Final Annual Reports

2025 Annual Operation Report and Final Statement

I. Operation Overview

At the beginning of 2025, the Company successfully completed the “ESP to Bag Filter Conversion” project and commenced production, marking a new milestone in its environmental upgrade. In order to cool the real estate market, the government introduced a series of credit controls and lending restrictions that affected presale housing transactions. In addition, political factors hindered the budgets of certain public construction projects, while channels for the disposal of excavated construction soil remained constrained, causing demand in the concrete and overall cement markets to decline sharply and subjecting the Company to severe operating challenges.

As the market contracted, low priced imported cement continued to erode the domestic market. Although the Cement Association obtained the imposition of anti-dumping duties on Vietnamese cement in July 2025, with the maximum duty rate reaching 23.2%, and subsequently began discussions on filing an application against Indonesia, the Company still experienced a slight decline in sales volume due to competitive pressure from domestic importers such as Goldsun Building Materials Co., Ltd., Jin Yu Enterprise Co., Ltd., and Universal Cement Corporation. Even so, the management team demonstrated strong resilience and firmly upheld selling prices to protect gross margin, ultimately achieving the Company’s annual profit target.

In addition, in response to the trend toward carbon fee payments, the Company has actively advanced its transformation toward low-carbon production. In 2025, the Company successfully achieved its targets on schedule, producing and selling 500 metric tons of Type IL limestone cement and 20,000 metric tons of Type IS blast furnace cement, thereby qualifying for Preferential Rate B. It is expected that the carbon fee will be significantly reduced from NT\$300 per ton to NT\$100 per ton. In addition, because the cement industry is classified as a high carbon leakage risk sector and is therefore subject to an emissions adjustment coefficient of 0.2, the carbon cost will be reduced to NT\$20 per ton, significantly easing the cost burden. The Business Department and the Nanshenghu Plant will continue to refine their efforts. For the year 2026, they have set voluntary reduction targets of producing and selling 3,000 metric tons of Type IL cement and 25,000 metric tons of Type IS cement to ensure continued eligibility for the preferential rate.

Looking ahead to 2026, the Company will adopt “balancing project pricing with shipment volume” and “breaking through the market stalemate” as its core guiding principles. The management team will place greater focus on changes in cement market prices and, in response to customer demand, promptly submit project prices for approval to secure a stable long-term shipment share. The Nanshenghu Plant is also installing a limestone powder vertical roller mill this year, with the aim of

producing and selling limestone powder to replace part of fly ash. This is expected to open up a new niche in a cement market with largely fixed sales volume and enhance overall revenue. The Company will also continue to uphold the spirit of environmental sustainability and, together with the Association, advocate for a Taiwan version of CBAM so that domestically produced and imported cement may compete fairly on the basis of an equitable carbon burden.

In the domestic cement market, total cement consumption in 2025 was approximately 13.5 million metric tons. The Company's sales of cement and clinker amounted to around 583,000 metric tons, a decrease of 56,000 metric tons from the previous year. Sales revenue totaled NT\$1,657,115 thousand, a year-on-year decrease of 5.9%.

In the mainland China cement market in 2025, the Company's Mainland China subsidiaries sold a total of 1,533,081 metric tons of cement and clinker, including 330,098 metric tons of PII52.5 bulk cement, a decrease of 104,804 metric tons or 24% from last year; 1,147,205 metric tons of PO42.5 bulk cement, an increase of 334,845 metric tons or 41% from last year; 51,385 metric tons of PC42.5 bulk cement, which was not produced last year; and 4,392 metric tons of clinker, which was not sold last year. In 2025, cement demand continued to drop due to the ongoing decline in real estate investment and the decrease in infrastructure investment. The imbalance between supply and demand further intensified, resulting in fiercer market competition, with cement prices fluctuating downward overall. However, benefiting from the marked decline in coal costs in the first half of the year, industry profits recovered to some extent over the entire year.

In terms of revenue, it will maintain the existing incomes from rental and resource recycle and reuse while at the same time, taking care of social needs, environmental protection, and economic development to achieve the objectives of industrial symbiosis and sustainable social development. In 2024, the Company's income from recycling processing was NT\$81,784 thousand, and lease income was NT\$48,599 thousand, with a combined decrease of NT\$2,281 thousand compared to the previous year.

The consolidated operating revenue for 2025 was NT\$4,431,539 thousand, down 4.83% from NT\$4,656,290 thousand in 2024; consolidated net income for 2025 was NT\$382,272 thousand, a decrease of 27.09% from NT\$524,281 thousand in 2024.

II. Comparison of performance between 2025 and 2024

Unit: metric tons

Cement and clinker	Production quantity			Sales quantity		
	2025	2024	Increase (decrease) %	2025	2024	Increase (decrease) %
Domestic	588,393	586,427	0.34	583,474	632,576	(7.76)
Mainland	1,519,581	1,240,078	22.54	1,533,081	1,247,263	22.92
Total	2,107,974	1,826,505	15.41	2,116,555	1,879,839	12.59

Unit: Thousand \$NT

Operating revenues	2025	2024	Increase (decrease) amount	Increase (decrease) %
Domestic	2,279,204	2,681,025	(401,821)	(14.99)
Mainland	2,152,335	1,975,265	177,070	8.96
Consolidated sales revenue	4,431,539	4,656,290	(224,751)	(4.83)
Consolidated net profits for the year	382,272	524,281	(142,009)	(27.09)

III. Research and development

The Company formally commenced the production and sale of Portland IL type limestone cement in 2025 and expects to achieve this year's targets of 3,000 metric tons of Type IL cement and 25,000 metric tons of Type IS blast furnace cement. This initiative not only implements the Ministry of Environment's Voluntary Reduction Plan, but also ensures that the Company will continue to enjoy the preferential carbon fee rate. In addition, the Nanshenghu Plant is actively engaged in the research and optimization of the alkali equivalent of IL type cement in order to precisely meet the stringent requirements for "low-alkali cement" in public infrastructure projects such as MRT works.

In response to the anticipated reduction in fly ash output resulting from the national energy transition from coal-fired power generation to gas-fired power generation, the Company has made a forward-looking deployment by planning the installation of a limestone powder vertical roller mill. The equipment is expected to be completed by the end of 2026, with a single unit hourly output of 13 to 15 metric tons and the capability to produce high specification limestone powder with fineness exceeding 10,000. In addition to supplying the Company's own low-carbon cement production, it may also supply ready-mixed concrete plants externally as a substitute for part of their fly ash demand, thereby ensuring raw material supply stability and creating additional profit opportunities.

IV. Business promotion and development direction and strategy

- (I) Appropriate preferential project prices will be offered from time to time after due consideration, with a view to securing stable shipment volumes and maintaining market share in an increasingly cooling market.
- (II) Active participation in public construction projects continues, such as the Taipei MRT Wanda-Shulin Line, South Circular Line, and North Circular Line; New Taipei MRT Xidong Line; the Xinzhuang-Taishan Wenzizun rezoning project; the Tambei Road project; and the Taoyuan MRT Green Line.
- (III) Continue to promote the use of the Company's Type IS blast furnace cement in geotechnical improvement and foundation engineering projects, and recommend that customers trial the use of Type IL limestone cement.
- (IV) The carbon footprint label has been printed on 40 kg bags of Type I cement to satisfy customers' needs in green building material tenders.
- (V) Continuously monitor customers' status and adjust their credit limits and payment terms in a timely manner to avoid the risk of bad debts.
- (VI) Customers are encouraged to adopt factory pick-up transactions to reduce the instability caused by vehicle dispatches to construction sites.
- (VII) Promote the Company's Type IL limestone cement through Hua Kuang Engineering testing to confirm compliance with the requirements for low-

alkali cement, with an alkali equivalent of less than 0.6%, so as to replace part of the demand for Type I low-alkali cement.

(VIII) Following the installation of the limestone powder vertical roller mill, actively promote the Company's limestone powder as a substitute for part of fly ash, thereby expanding revenue opportunities.

V. Approaches in response to the effects of external competition, legal environment, and overall business environment.

(I) To fulfill the responsibility of environmental protection and sustainable development, the Company produces and sells Type IL limestone cement to reduce carbon dioxide emissions.

(II) Actively carry out various equipment investments and improvements, including the addition of spraying equipment for the limestone storage yard to expand spray coverage.

(III) Prompt customers to arrange shipments in a timely manner based on inventory levels in order to achieve daily shipment targets.

(IV) Understand market information and intelligence relating to other cement manufacturers, including developments involving domestic ready-mixed concrete suppliers and imported cement traders, and promptly report such information to the Company and the Nanshenghu Plant to support timely operational adjustments.

(V) Adjust the sales strategy for Type IL limestone cement from time to time, gradually allowing Type IL cement to replace part of Type I cement and Type IS blast furnace cement.

VI. Business plan and outlook for 2026

Looking ahead to 2026, amid a cooling housing market and slowing public construction, the Company will not only strive to achieve its target of producing and selling 600,000 metric tons, but will also actively respond to the domestic energy transition trend. As thermal power generation shifts from coal to gas, fly ash output is bound to decrease year by year. In response, the Nanshenghu Plant is installing a vertical roller mill for limestone powder. In the future, the limestone powder produced will not only be used internally but may also replace part of the fly ash as a concrete admixture, enabling the Company to seize market opportunities arising from changes in environmental protection policies.

Domestic cement market:

Public construction continues to benefit from ongoing infrastructure development. Projects such as the Taoyuan Railway Underground Project, the Taipei MRT Circular Line, and the Taoyuan MRT Green Line remain under construction and are expected to continue contributing stable shipment volume this year. However,

due to the government's continued housing market controls and credit restrictions, the momentum of private construction projects is unlikely to improve in northern Taiwan. Only projects in the Beitou Shilin Technology Park area of Taipei City have remained relatively active, while overall growth momentum remains limited.

In addition, progress has been made in the anti-dumping action filed by the Cement Association against Vietnamese cement. On July 28, 2025, the Ministry of Finance determined, through its investigation, that imported cement and clinker from Vietnam had indeed been dumped and posed a threat of material injury to the domestic industry. Consequently, it formally imposed anti-dumping duties for a period of five years, with the maximum rate reaching 23.2%. The Association has also moved swiftly to discuss filing an anti-dumping investigation with the Customs Administration, Ministry of Finance against cement and clinker from Indonesia, in the hope of rectifying market order and restoring fair and healthy competition between imported and domestically produced cement.

In summary, domestic cement demand in 2026 is estimated to be approximately 13 million metric tons. Although importers are still expected to account for nearly 30% of the total market, the Company's internal assessment indicates that, by leveraging project opportunities and a diversified product portfolio, the annual sales target for cement and clinker in Taiwan remains set at 600,000 metric tons, while the limestone sales target is 110,000 metric tons.

Mainland China's cement market:

In 2026, China's cement industry will enter a deep adjustment period amid shrinking demand and pressure for supply side optimization. Enterprises must break the short term price war impasse through coordination and secure a leading position in long-term development through transformation in order to achieve a high quality breakthrough amid policy constraints and market fluctuations.

On the demand side, under the dual carbon strategy and economic structural transformation, total cement demand in Mainland China in 2026 will continue its mild downward trend. Annual consumption is estimated at approximately 1.85 billion metric tons, representing a year-on-year decrease of approximately 2.1%. On the supply side, under the stringent constraints of government capacity management policies, small and medium sized capacity operators face the risk of elimination, and the process of reducing excess capacity will accelerate. The supply demand balance is expected to be gradually rebuilt, cement prices are

expected to rebound, and industry performance is expected to continue recovering from low levels.

The cement industry is facing pressure from requirements and standards relating to ultra-low emission policies, inclusion in the carbon market, and market oriented electricity reform. Enterprises will accelerate low-carbon technological transformation in response. Although the cost of low-carbon technological transformation is considerable, structural opportunities remain. The resilience of infrastructure investment, growth in demand for high end products, and expansion into overseas markets will provide enterprises with room for differentiation. The buildup of green technology capabilities and the deep penetration of regional markets will become key to profitability.

On the market side, the Company will continue to monitor the release schedule of public construction projects and prudently evaluate opportunities for recovery in private construction projects. On the operational side, the Company will continue to promote energy conservation, carbon reduction, digital management, and equipment upgrades to address the long-term impact of the carbon fee system. We firmly believe that, through prudent operations and forward-looking deployment, Hsing Ta Cement will be able to maintain a firm footing during this period of industry adjustment and gradually build growth momentum. In the future, the Board of Directors and the management team will continue to prioritize enhancing the Company's value and protecting shareholder interests as their highest principles, leading the Company into a new stage of sustainable development.

Chairman of BOD : Yang Jee-Shing General manager : Yang Ta-Kuan Accounting Manager : Tsai Su Chiu



Year 2025 Consolidated Financial Statements and Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Hsing Ta Cement Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Hsing Ta Cement Co., Ltd. and its subsidiaries (the "Group") as at December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other independent auditors, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and 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 Accountants 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 Group's 2025 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2025 consolidated financial statements are stated as follows:

Occurrence of revenue recognition of cement sales

Description

Please refer to Note 4(28) of the financial statements for accounting policies on revenue recognition and Note 6(16) for details of operating revenue.

The Group's operating revenue mainly consists of cement sales revenue, revenue from recycling and treatment and rental revenue. The revenue from cement sales amounted to NTD 4,247,581 thousand, constituting 95.85% of the 2025 operating revenue. The price of cement often fluctuates due to the prices of raw materials, market supply and demand as well as the general economic situation. Sales prices and order quantities are based on the contracts signed with individual customers. Cement sales revenue is recognised when customers collect the cement, which is based on the dispatch reports prepared by the cement factory according to actual collection situation. The Group's counterparties are numerous, and the types of products, the related prices and the qualities are various. Also, the information process, recording and maintenance of the relevant reports mainly relies on manual operation. Therefore, more audit staff were required to perform the procedures.

Additionally, since the cement sales revenue is material to the financial statements, we consider the occurrence of revenue recognition of cement sales as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Assessed the reasonableness of revenue recognition policies and procedures for cement sales based on our understanding of the Group's business and the industry it operates in, and confirmed that these were consistently applied in the financial statements.
2. Obtained an understanding of the order, collection and delivery processes, and assessed as well as tested the relevant internal control procedures including sample testing the prices and quantities on the cement order reports and agreed them with the records on the cement sales register cards and the collection reports as well as checking whether the quantities on the collection report were consistent with the records on the delivery sheets and the daily dispatch reports.

3. Verified the monthly dispatch reports used by the management for revenue recognition, including sample testing the quantities on the reports whether they were consistent with the records on the daily dispatch reports, and recalculating the amount of the revenue and agreeing them with the recorded revenue.

Other matter – Parent company only financial statements

We have audited and expressed an unmodified opinion on the parent company only financial statements of the Company as at and for the years ended December 31, 2025 and 2024.

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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, 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 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 appropriate audit evidence regarding the financial information of the 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 of the current period 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.

Yu, Cheng-Fu

Chih, Ping-Chiun

For and on behalf of PricewaterhouseCoopers, Taiwan

March 12, 2026

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

HSING TA CEMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2025		December 31, 2024		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 2,360,669	21	\$ 3,021,873	27
1110	Financial assets at fair value through profit or loss - current	6(2)	975,221	8	1,194,891	11
1136	Financial assets at amortised cost-current	6(3) and 8	528,209	5	124,565	1
1150	Notes receivable, net	6(4)	755,233	7	545,859	5
1170	Accounts receivable, net	6(4)	330,379	3	349,886	3
1200	Other receivables		10,855	-	3,484	-
130X	Inventories	6(5)	829,696	7	1,043,684	9
1410	Prepayments		67,399	-	93,387	1
1470	Other current assets		-	-	178	-
11XX	Current assets		<u>5,857,661</u>	<u>51</u>	<u>6,377,807</u>	<u>57</u>
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	221,530	2	204,077	2
1535	Financial assets at amortised cost - non-current	6(3) and 8	972,313	9	276,299	2
1600	Property, plant and equipment	6(6)	2,565,790	22	2,625,304	23
1755	Right-of-use assets	6(7)	172,508	2	185,063	2
1760	Investment property - net	6(9)	1,412,784	12	1,419,268	13
1780	Intangible assets		6,867	-	14,306	-
1840	Deferred income tax assets	6(24)	31,371	-	36,965	-
1920	Guarantee deposits paid		34,189	-	32,820	-
1990	Other non-current assets, others	9(2)	166,125	2	107,325	1
15XX	Non-current assets		<u>5,583,477</u>	<u>49</u>	<u>4,901,427</u>	<u>43</u>
1XXX	Total assets		<u>\$ 11,441,138</u>	<u>100</u>	<u>\$ 11,279,234</u>	<u>100</u>

(Continued)

HSING TA CEMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2025		December 31, 2024		
		AMOUNT	%	AMOUNT	%	
Current liabilities						
2130	Current contract liabilities	6(17)	\$ 99,958	1	\$ 80,033	1
2150	Notes payable		28,881	-	62,277	-
2160	Notes payable - related parties	7	1,777	-	2,211	-
2170	Accounts payable		605,596	6	433,082	4
2200	Other payables	6(10) and 7	235,640	2	245,798	2
2230	Current income tax liabilities		15,640	-	72,671	1
2250	Current provisions	6(12)	9,528	-	-	-
2280	Current lease liabilities	6(27)	11,632	-	14,295	-
2399	Other current liabilities, others		1,269	-	1,097	-
21XX	Current Liabilities		<u>1,009,921</u>	<u>9</u>	<u>911,464</u>	<u>8</u>
Non-current liabilities						
2570	Deferred income tax liabilities	6(24)	54,106	-	51,138	1
2580	Non-current lease liabilities	6(27)	55,593	1	64,199	1
2640	Accrued pension liabilities	6(11)	10,698	-	18,933	-
2670	Other non-current liabilities, others	6(27)	28,874	-	31,706	-
25XX	Non-current liabilities		<u>149,271</u>	<u>1</u>	<u>165,976</u>	<u>2</u>
2XXX	Total liabilities		<u>1,159,192</u>	<u>10</u>	<u>1,077,440</u>	<u>10</u>
Equity attributable to owners of parent						
Share capital						
3110	Share capital - common stock	6(13)	3,411,589	30	3,411,589	30
Capital surplus						
3200	Capital surplus	6(14)	15,962	-	15,724	-
Retained earnings						
3310	Legal reserve	6(15)	1,771,729	15	1,723,394	15
3320	Special reserve		86,109	1	193,155	2
3350	Unappropriated retained earnings		3,149,400	28	3,040,960	27
Other equity interest						
3400	Other equity interest	6(16)	(69,910)	(1)	(86,109)	(1)
31XX	Equity attributable to owners of the parent		<u>8,364,879</u>	<u>73</u>	<u>8,298,713</u>	<u>73</u>
36XX	Non-controlling interest		<u>1,917,067</u>	<u>17</u>	<u>1,903,081</u>	<u>17</u>
3XXX	Total equity		<u>10,281,946</u>	<u>90</u>	<u>10,201,794</u>	<u>90</u>
Significant contingent liabilities and unrecognised contract commitments						
Significant events after the balance sheet date						
3X2X	Total liabilities and equity		<u>\$ 11,441,138</u>	<u>100</u>	<u>\$ 11,279,234</u>	<u>100</u>

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

HSING TA CEMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

				Year ended December 31			
				2025		2024	
Items	Notes	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(8)(9)(17) and 7	\$ 4,431,539	100	\$ 4,656,290	100	
5000	Operating costs	6(22)(23) and 7	(3,723,105)	(84)	(3,664,642)	(79)	
5900	Gross profit		708,434	16	991,648	21	
	Operating expenses	6(22)(23) and 7					
6100	Selling expenses		(108,825)	(2)	(130,147)	(3)	
6200	General and administrative expenses		(174,620)	(4)	(199,996)	(4)	
6450	Expected credit losses	12(2)	(1,845)	-	(10,141)	-	
6000	Total operating expenses		(285,290)	(6)	(340,284)	(7)	
6900	Operating profit		423,144	10	651,364	14	
	Non-operating income and expenses						
7100	Interest income	6(18)	35,666	1	48,187	1	
7010	Other income	6(19)	39,545	1	27,489	-	
7020	Other gains and losses	6(20)	32,677	-	(13,203)	-	
7050	Finance costs	6(21)	(1,966)	-	(2,119)	-	
7000	Total non-operating income and expenses		105,922	2	60,354	1	
7900	Profit before income tax		529,066	12	711,718	15	
7950	Income tax expense	6(24)	(146,794)	(4)	(187,437)	(4)	
8200	Profit for the year		\$ 382,272	8	\$ 524,281	11	
	Other comprehensive income						
	Components of other comprehensive income that will not be reclassified to profit or loss						
8311	Other comprehensive income, before tax, actuarial gains (losses) on defined benefit plans	6(11)	\$ 7,287	-	\$ 17,604	-	
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(24)	(1,457)	-	(3,521)	-	
8310	Components of other comprehensive income that will not be reclassified to profit or loss		5,830	-	14,083	-	
	Components of other comprehensive income that will be reclassified to profit or loss						
8361	Financial statements translation differences of foreign operations		24,023	1	160,935	4	
8360	Components of other comprehensive income that will be reclassified to profit or loss		24,023	1	160,935	4	
8300	Other comprehensive income for the year		\$ 29,853	1	\$ 175,018	4	
8500	Total comprehensive income for the year		\$ 412,125	9	\$ 699,299	15	
	Profit, attributable to:						
8610	Owners of the parent		\$ 351,163	7	\$ 469,398	10	
8620	Non-controlling interest		31,109	1	54,883	1	
			\$ 382,272	8	\$ 524,281	11	
	Comprehensive income attributable to:						
8710	Owners of the parent		\$ 372,971	8	\$ 590,400	13	
8720	Non-controlling interest		39,154	1	108,899	2	
			\$ 412,125	9	\$ 699,299	15	
	Basic earnings per share	6(25)					
9750	Total basic earnings per share		\$ 1.03		\$ 1.38		
9850	Total diluted earnings per share		\$ 1.03		\$ 1.37		

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

HSING TA CEMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Equity attributable to owners of the parent										
Notes	Capital surplus			Retained earnings			Other equity interest	Total	Non-controlling interest	Total equity
	Ordinary share	Treasury share transactions	Others	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements			
2024										
Balance at January 1	\$ 3,411,589	\$ 14,534	\$ 1,163	\$ 1,655,263	\$ 136,484	\$ 3,091,799	(\$ 193,155)	\$ 8,117,677	\$ 1,872,924	\$ 9,990,601
Profit for the year	-	-	-	-	-	469,398	-	469,398	54,883	524,281
Other comprehensive income	6(16)	-	-	-	-	13,956	107,046	121,002	54,016	175,018
Total comprehensive income	-	-	-	-	-	483,354	107,046	590,400	108,899	699,299
Appropriations and distribution of 2023 retained earnings:	6(15)									
Legal reserve appropriated	-	-	-	68,131	-	(68,131)	-	-	-	-
Special reserve	-	-	-	-	56,671	(56,671)	-	-	-	-
Cash dividends	-	-	-	-	-	(409,391)	-	(409,391)	-	(409,391)
Expired unclaimed dividends transferred to capital surplus	-	-	27	-	-	-	-	27	-	27
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	(78,742)	(78,742)
Balance at December 31	\$ 3,411,589	\$ 14,534	\$ 1,190	\$ 1,723,394	\$ 193,155	\$ 3,040,960	(\$ 86,109)	\$ 8,298,713	\$ 1,903,081	\$ 10,201,794
2025										
Balance at January 1	\$ 3,411,589	\$ 14,534	\$ 1,190	\$ 1,723,394	\$ 193,155	\$ 3,040,960	(\$ 86,109)	\$ 8,298,713	\$ 1,903,081	\$ 10,201,794
Profit for the year	-	-	-	-	-	351,163	-	351,163	31,109	382,272
Other comprehensive income	6(16)	-	-	-	-	5,609	16,199	21,808	8,045	29,853
Total comprehensive income	-	-	-	-	-	356,772	16,199	372,971	39,154	412,125
Appropriations and distribution of 2024 retained earnings:	6(15)									
Legal reserve appropriated	-	-	-	48,335	-	(48,335)	-	-	-	-
Special reserve reversed	-	-	-	-	(107,046)	107,046	-	-	-	-
Cash dividends	-	-	-	-	-	(307,043)	-	(307,043)	-	(307,043)
Expired unclaimed dividends transferred to capital surplus	-	-	238	-	-	-	-	238	-	238
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	(25,168)	(25,168)
Balance at December 31	\$ 3,411,589	\$ 14,534	\$ 1,428	\$ 1,771,729	\$ 86,109	\$ 3,149,400	(\$ 69,910)	\$ 8,364,879	\$ 1,917,067	\$ 10,281,946

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

HSING TA CEMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2025	2024
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 529,066	\$ 711,718
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(6)(7)(9)(22)	305,578	304,036
Amortisation expense	6(22)	8,775	7,182
Expected credit loss	12(2)	1,845	10,141
Net loss (gain) on financial assets at fair value through profit or loss	6(2)(20)	(62,570)	31,147
Interest expense	6(21)	1,966	2,119
Interest income	6(18)	(35,666)	(48,187)
Dividend revenue	6(19)	(11,381)	(13,253)
Loss on disposals of property, plant and equipment	6(20)	12,533	3,600
Impairment loss of intangible assets	6(20)	7,229	-
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable, net		(209,436)	74,678
Accounts receivable, net		17,687	161,633
Other receivables		(1,632)	1,034
Inventories		213,988	(115,302)
Prepayments		25,988	(20,351)
Other current assets		178	172
Changes in operating liabilities			
Current contract liabilities		19,925	(19,583)
Notes payable		(33,396)	(102,650)
Notes payable - related parties		(434)	176
Accounts payable		172,514	(242,661)
Other payables		8,199	(86,129)
Current provisions		9,528	-
Other current liabilities, others		172	(1,083)
Net defined benefit liability		(8,848)	(18,964)
Cash inflow generated from operations		971,808	639,473
Interest paid		(1,966)	(2,119)
Income taxes paid		(196,156)	(234,110)
Net cash flows from operating activities		<u>773,686</u>	<u>403,244</u>

(Continued)

HSING TA CEMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2025	2024
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through profit or loss	12(3)	(\$ 791,978)	(\$ 403,680)
Proceeds from disposal of financial assets at fair value through profit or loss	12(3)	1,028,374	628,664
Acquisition of financial assets at amortised cost		(1,518,500)	(251,794)
Proceeds from disposal of financial assets at amortised cost		459,686	308,711
Acquisition of property, plant and equipment (including prepayments for business facilities)	6(26)	(245,372)	(211,756)
Proceeds from disposal of property, plant and equipment		3,260	3,157
(Decrease) increase in refundable deposits		(1,369)	631
Acquisition of intangible assets		(5,524)	-
Acquisition of investment property	6(9)	(2,130)	(1,762)
Increase in other non-current assets, others		(70,963)	(18,240)
Interest received		29,443	50,171
Dividends received		11,381	13,253
Net cash flows (used in) from investing activities		(1,103,692)	117,355
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in guarantee deposits received	6(27)	(2,786)	(5,606)
Payments of lease liabilities	6(27)	(13,231)	(18,071)
Cash dividend paid	6(15)	(307,043)	(409,391)
Dividends paid to non-controlling interests	4(3)	(25,168)	(78,742)
Expired unclaimed dividends transferred to capital surplus		238	27
Net cash flows used in financing activities		(347,990)	(511,783)
Effect of exchange rate changes on cash and cash equivalents		16,792	82,379
Net (decrease) increase in cash and cash equivalents		(661,204)	91,195
Cash and cash equivalents at beginning of year		3,021,873	2,930,678
Cash and cash equivalents at end of year		<u>\$ 2,360,669</u>	<u>\$ 3,021,873</u>

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

Year 2025 Parent Company Only Financial Statements and Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Hsing Ta Cement Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Hsing Ta Cement Co., Ltd. (the "Company") as at December 31, 2025 and 2024, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other independent auditors, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at 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 Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the parent company only financial statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, 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 Company's 2025 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2025 parent company only financial statements are stated as follows:

Occurrence of revenue recognition of cement sales

Description

Please refer to Note 4(26) of the financial statements for accounting policies on revenue recognition and Note 6(17) for details of operating revenue.

The Company's operating revenue mainly consists of cement sales revenue, revenue from recycling and treatment and rental revenue. The revenue from cement sales amounted to NTD 1,871,650 thousand, constituting 92.92% of the 2025 operating revenue. The price of cement often fluctuates due to the prices of raw materials, market supply and demand as well as the general economic situation. Sales prices and order quantities are based on the contracts signed with individual customers. Cement sales revenue is recognised when customers collect the cement, which is based on the dispatch report prepared by the cement factory according to actual collection situation. The Company's counterparties are numerous, and the types of products, the related prices and the qualities are various. Also, the information process, recording and maintenance of the relevant reports mainly relies on manual operation. Therefore, more audit staff were required to perform the procedures. Additionally, since the cement sales revenue is material to the financial statements and the Company's subsidiaries, accounted for using equity method, have the same matters as the aforementioned, we consider the occurrence of revenue recognition of cement sales of the Company and its subsidiaries as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Assessed the reasonableness of revenue recognition policies and procedures for cement sales based on our understanding of the Company's business and the industry it operates in, and confirmed that these were consistently applied in the financial statements.
2. Obtained an understanding of the order, collection and delivery processes, and assessed as well as tested the relevant internal control procedures including sample testing the prices and quantities on the cement order reports and agreed them with the records on the cement sales register cards and the collection reports as well as checking whether the quantities on the collection report were consistent with the records on the delivery sheets and the daily dispatch reports.
3. Verified the monthly dispatch report used by the management for revenue recognition, including sample testing the quantities on the reports whether they were consistent with the records on the daily dispatch report, and recalculating the amount of the revenue and agreeing them with the recorded revenue.

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 is 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the 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 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 Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

Yu, Cheng-Fu

Chih, Ping-Chiun

For and on behalf of PricewaterhouseCoopers, Taiwan

March 12, 2026

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

HSING TA CEMENT CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2025		December 31, 2024		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,538,550	18	\$ 1,583,848	18
1110	Financial assets at fair value through profit or loss - current	6(2)	24,843	-	25,409	-
1150	Notes receivable, net	6(4)	98,191	1	61,284	1
1160	Notes receivable - related parties	6(4) and 7	23,007	-	26,046	-
1170	Accounts receivable, net	6(4)	67,651	1	29,372	1
1200	Other receivables		1,366	-	1,737	-
130X	Inventories	6(5)	434,295	5	509,280	6
1410	Prepayments		6,610	-	14,257	-
11XX	Current assets		<u>2,194,513</u>	<u>25</u>	<u>2,251,233</u>	<u>26</u>
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	221,530	3	204,077	2
1535	Financial assets at amortised cost - non-current	6(3) and 8	285,376	3	264,849	3
1550	Investments accounted for under equity method	6(6) and 7	3,648,901	42	3,612,702	42
1600	Property, plant and equipment	6(7)	859,653	10	792,687	9
1755	Right-of-use assets	6(8)	41,714	-	49,233	1
1760	Investment property - net	6(10)	1,411,066	16	1,417,527	16
1840	Deferred income tax assets	6(24)	30,806	-	34,614	-
1900	Other non-current assets	9(2)	100,745	1	81,677	1
15XX	Non-current assets		<u>6,599,791</u>	<u>75</u>	<u>6,457,366</u>	<u>74</u>
1XXX	Total assets		<u>\$ 8,794,304</u>	<u>100</u>	<u>\$ 8,708,599</u>	<u>100</u>

(Continued)

HSING TA CEMENT CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2025		December 31, 2024	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2130	Current contract liabilities	6(17) and 7	\$ 81,833	1	\$ 56,520	1
2170	Accounts payable		56,168	1	48,486	1
2200	Other payables		150,151	2	135,404	1
2230	Current income tax liabilities		10,800	-	35,646	-
2250	Current provisions	6(12)	9,528	-	-	-
2280	Current lease liabilities	6(27)	9,220	-	8,770	-
2300	Other current liabilities		979	-	947	-
21XX	Current Liabilities		<u>318,679</u>	<u>4</u>	<u>285,773</u>	<u>3</u>
Non-current liabilities						
2570	Deferred income tax liabilities	6(24)	33,078	-	31,668	1
2580	Non-current lease liabilities	6(27)	44,400	1	52,276	1
2640	Accrued pension liabilities	6(11)	15,402	-	22,125	-
2645	Guarantee deposits received	6(27)	17,866	-	18,044	-
25XX	Non-current liabilities		<u>110,746</u>	<u>1</u>	<u>124,113</u>	<u>2</u>
2XXX	Total liabilities		<u>429,425</u>	<u>5</u>	<u>409,886</u>	<u>5</u>
Equity						
Share capital		6(13)				
3110	Share capital - common stock		3,411,589	39	3,411,589	39
Capital surplus		6(14)				
3200	Capital surplus		15,962	-	15,724	-
Retained earnings		6(15)				
3310	Legal reserve		1,771,729	20	1,723,394	20
3320	Special reserve		86,109	1	193,155	2
3350	Unappropriated retained earnings		3,149,400	36	3,040,960	35
Other equity interest		6(16)				
3400	Other equity interest		(69,910)	(1)	(86,109)	(1)
3XXX	Total equity		<u>8,364,879</u>	<u>95</u>	<u>8,298,713</u>	<u>95</u>
Significant contingent liabilities and unrecognised contract commitments		9				
Significant events after the balance sheet date		11				
3X2X	Total liabilities and equity		<u>\$ 8,794,304</u>	<u>100</u>	<u>\$ 8,708,599</u>	<u>100</u>

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

HSING TA CEMENT CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

Items	Notes	Year ended December 31			
		2025		2024	
		AMOUNT	%	AMOUNT	%
4000 Sales revenue	6(9)(10)(17) and 7	\$ 1,840,865	100	\$ 2,004,314	100
5000 Operating costs	6(5)(10)(22)(23) and 7	(1,442,664)	(78)	(1,426,271)	(71)
5900 Gross profit		398,201	22	578,043	29
5910 Unrealized profit from sales		(311)	-	(321)	-
5920 Realized profit from sales		321	-	466	-
5950 Net operating margin		398,211	22	578,188	29
Operating expenses	6(22)(23) and 7				
6100 Selling expenses		(35,237)	(2)	(37,754)	(2)
6200 General and administrative expenses		(62,482)	(3)	(76,058)	(4)
6450 Expected credit losses	12(2)	(22)	-	(27)	-
6000 Total operating expenses		(97,741)	(5)	(113,839)	(6)
6900 Operating profit		300,470	17	464,349	23
Non-operating income and expenses					
7100 Interest income	6(18)	23,181	1	28,329	1
7010 Other income	6(19)	33,899	2	23,756	1
7020 Other gains and losses	6(20)	7,780	-	(18,196)	(1)
7050 Finance costs	6(21)	(1,707)	-	(1,784)	-
7070 Share of profit of associates and joint ventures accounted for using equity method, net	6(6)	70,063	4	90,277	5
7000 Total non-operating income and expenses		133,216	7	122,382	6
7900 Profit before income tax		433,686	24	586,731	29
7950 Income tax expense	6(24)	(82,523)	(5)	(117,333)	(6)
8200 Profit for the year		\$ 351,163	19	\$ 469,398	23
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss					
8311 Actuarial gain on defined benefit plan	6(11)	\$ 6,673	-	\$ 17,249	1
8330 Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		271	-	157	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(24)	(1,335)	-	(3,450)	-
8310 Components of other comprehensive (loss)income that will not be reclassified to profit or loss		5,609	-	13,956	1
Components of other comprehensive income that will be reclassified to profit or loss					
8361 Exchange differences on translation		16,199	1	107,046	5
8360 Components of other comprehensive income(loss) that will be reclassified to profit or loss		16,199	1	107,046	5
8300 Other comprehensive income for the year		\$ 21,808	1	\$ 121,002	6
8500 Total comprehensive income for the year		\$ 372,971	20	\$ 590,400	29
Basic earnings per share	6(25)				
9750 Total basic earnings per share		\$ 1.03		\$ 1.38	
9850 Total diluted earnings per share		\$ 1.03		\$ 1.37	

The accompanying notes are an integral part of these parent company only financial statements.

HSING TA CEMENT CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Capital Reserves			Retained Earnings		Total unappropriated retained earnings (accumulated deficit)	Financial statements translation differences of foreign operations	Amount
		Share capital - common stock	Treasury stock transactions	Others	Legal reserve	Special reserve			
<u>2024</u>									
Balance at January 1		\$ 3,411,589	\$ 14,534	\$ 1,163	\$ 1,655,263	\$ 136,484	\$ 3,091,799	(\$ 193,155)	\$ 8,117,677
Profit for the year		-	-	-	-	-	469,398	-	469,398
Other comprehensive income for the year	6(6)(16)	-	-	-	-	-	13,956	107,046	121,002
Total comprehensive income		-	-	-	-	-	483,354	107,046	590,400
Appropriations and distribution of 2023 retained earnings:	6(15)								
Legal reserve appropriated		-	-	-	68,131	-	(68,131)	-	-
Special reserve		-	-	-	-	56,671	(56,671)	-	-
Cash dividends		-	-	-	-	-	(409,391)	-	(409,391)
Expired unclaimed dividends transferred to capital surplus		-	-	27	-	-	-	-	27
Balance at December 31		\$ 3,411,589	\$ 14,534	\$ 1,190	\$ 1,723,394	\$ 193,155	\$ 3,040,960	(\$ 86,109)	\$ 8,298,713
<u>2025</u>									
Balance at January 1		\$ 3,411,589	\$ 14,534	\$ 1,190	\$ 1,723,394	\$ 193,155	\$ 3,040,960	(\$ 86,109)	\$ 8,298,713
Profit for the year		-	-	-	-	-	351,163	-	351,163
Other comprehensive income	6(6)(16)	-	-	-	-	-	5,609	16,199	21,808
Total comprehensive income		-	-	-	-	-	356,772	16,199	372,971
Appropriations and distribution of 2024 retained earnings:	6(15)								
Legal reserve appropriated		-	-	-	48,335	-	(48,335)	-	-
Special reserve reversed		-	-	-	-	(107,046)	107,046	-	-
Cash dividends		-	-	-	-	-	(307,043)	-	(307,043)
Expired unclaimed dividends transferred to capital surplus		-	-	238	-	-	-	-	238
Balance at December 31		\$ 3,411,589	\$ 14,534	\$ 1,428	\$ 1,771,729	\$ 86,109	\$ 3,149,400	(\$ 69,910)	\$ 8,364,879

The accompanying notes are an integral part of these parent company only financial statements.

HSING TA CEMENT CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2025	2024
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 433,686	\$ 586,731
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(7)(8)(10)(22)	93,200	88,918
Expected credit loss	12(2)	22	27
Net loss (gain) on financial assets at fair value through profit or loss	6(2)(20)	(22,916)	37,624
Interest expense	6(8)(21)	1,707	1,784
Interest income	6(18)	(23,181)	(28,329)
Dividend revenue	6(19)	(11,381)	(13,253)
Share of profit of associates and joint ventures accounted for using equity method	6(6)	(70,063)	(90,277)
Loss on disposal of property, plant and equipment	6(20)	9,360	4,925
Unrealized gain from sale		311	321
Realized gain from sale		(321)	(466)
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable, net		(36,918)	68,234
Notes receivable - related parties		3,039	7,997
Accounts receivable, net		(38,290)	34,138
Other receivables		298	227
Inventories		74,985	(125,767)
Prepayments		7,647	5,716
Changes in operating liabilities			
Current contract liabilities		25,313	(8,494)
Accounts payable		7,682	(10,111)
Other payables		14,747	(52,167)
Current provisions		9,528	-
Other current liabilities		32	(1,071)
Net defined benefit liability		(50)	(17)
Cash inflow generated from operations		478,437	506,690
Interest paid		(1,544)	(1,706)
Income taxes paid		(103,486)	(130,448)
Net cash flows from operating activities		<u>373,407</u>	<u>374,536</u>

(Continued)

HSING TA CEMENT CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2025	2024
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortised cost		(\$ 20,043)	(\$ 48,379)
Proceeds from disposal of financial assets at fair value through profit or loss		6,029	-
Acquisition of property, plant and equipment (including prepayment for business facilities)	6(26)	(134,886)	(143,174)
Proceeds from disposal of property, plant and equipment		670	415
Increase in refundable deposits		(1,369)	(231)
Acquisition of investment property	6(10)	(2,130)	(1,762)
Interest received		22,607	30,241
Dividends received	6(6)(19)	61,725	170,762
(Increase) decrease in other non-current assets, others		(34,897)	1,981
Net cash flows (used in) from investing activities		(102,294)	9,853
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
(Decrease) increase in guarantee deposits received	6(27)	(178)	151
Payments of lease liabilities	6(27)	(9,428)	(16,907)
Cash dividend paid	6(15)	(307,043)	(409,391)
Expired unclaimed dividends transferred to capital surplus		238	27
Net cash flows used in financing activities		(316,411)	(426,120)
Net decrease in cash and cash equivalents		(45,298)	(41,731)
Cash and cash equivalents at beginning of year		1,583,848	1,625,579
Cash and cash equivalents at end of year		\$ 1,538,550	\$ 1,583,848

The accompanying notes are an integral part of these parent company only financial statements.

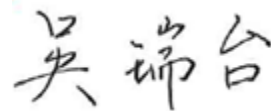
Audit Committee's Review Report of 2025 Annual Accounting Final Statements

Audit Report of Audit Committee

The Board of Directors has prepared the Company's 2025 Business Report, Financial Statements and Earnings Distribution Proposal. The Company's Financial Statements have been audited and an audit report has been issued by the PricewaterhouseCoopers. The Business Report, Financial Statements and Earnings Distribution Proposal have been reviewed and considered to be complied with relevant rules by the Audit Committee. Pursuant to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

Hsing Ta Cement Co., LTD.

Chairman of the Audit Committee : Wu Rui-Tai

Handwritten signature of Wu Rui-Tai in black ink, consisting of three characters: 吳, 瑞, 台.

March 12, 2026

2025 Distribution Report of Employees' Compensation and Directors' Remuneration

- 1.The total amount of NTD \$9,227,346 shall be distributed in cash as employees' compensation.
- 2.The total amount of NTD \$18,454,693 shall be distributed in cash as Directors' remuneration.

Endorsement and Guarantee

As of December 31, 2025, the Company's aggregate balance of endorsement and guarantee was not more than the Company's net asset value based on the latest financial statements and the total endorsement and guarantee for a single enterprise was not more than 50 percent of the Company's net asset value based on the latest financial statements, both of which were in accordance with the Rules of Procedure of Endorsement and Guarantee. The list of details is as follows:

(Thousand \$NTD)

Name of the Company being Endorsed/ Guaranteed	Limit on Endorsement/ Guarantee Provided for a Single Enterprise	The Ending Balance of Endorsement/Guarantee
Hsin I Ready Mixed Concrete Co., Ltd.	4,182,440	321,176

2025 Earnings Distribution Table

Hsing Ta Cement Co., Ltd.
2025 Earnings Distribution Table

	\$NTD
Unappropriated Retained Earnings at Beginning of Year	2,792,628,555
Add (Less): Remeasurement of defined benefit plans for 2025	5,609,404
Net income after tax for 2025	351,162,294
Special reserve reversed	16,198,764
Legal reserve appropriated	(35,677,170)
Earnings available for distribution for the period	<u>3,129,921,847</u>
Less: Cash dividends to shareholders (\$0.9/Per Share)	(307,042,981)
Unappropriated earnings at the end of the period	<u>2,822,878,866</u>

Chairman of BOD : Yang Jee-Shing



General manager : Yang Ta-Kuan



Accounting Manager : Tsai Su Chiu



Appendix

Rules of Procedure of Hsing Ta Cement Co., Ltd. Shareholders' Meeting

Date: June 16, 2017 (Amended)

Article 1

Shareholders' meeting of the Company shall be governed by these Rules except as otherwise provided by law or regulation.

Article 2

The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders shall hand in the sign-in cards in lieu of signing in.

The number of shares in attendance shall be calculated according to the shares indicated by the attendance book or sign-in cards handed in plus the number of shares in voting rights exercised electronically.

Article 3

The attendance and votes of the shareholders' meeting shall be calculated based on the number of shares.

Article 4

The venue of a shareholders' meeting shall be the premises of the Company or a place accessible to the shareholders and suitable for a shareholders' meeting. The meeting shall begin no earlier than 9 am and no later than 3 pm.

Article 5

A shareholders' meeting convened by the Board of Directors shall be presided over by the Chairman of the Board of Directors. In case of the absence of the Chairman, a Director appointed by the Chairman shall be designated to act on behalf thereof. In the absence of the designation, the Directors shall elect one representative from among themselves to act on behalf of the Chairman.

For the shareholders' meeting convened by any other person having the convening right, the convener shall act as the Chairman of that meeting provided.

Article 6

The lawyers, accountants or relevant personnel appointed by the company may attend the shareholders' meeting.

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

Article 7

The Company shall make an uninterrupted audio and video recording throughout the process of a shareholders' meeting and the recorded materials shall be retained for at least one year.

Article 8

The Chairman shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the Chairman may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act. Prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the Chairman may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 9

If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which shall not be changed without a resolution of the shareholders' meeting.

The provision of the preceding paragraph shall apply to a shareholders' meeting convened by a party having the convening right that is not the Board of Directors.

The Chairman shall not announce the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting.

After close of the said meeting, shareholders shall not elect another Chairman to continue the meeting at the same or any other place. If the Chairman declares the meeting adjourned in violation of the rules of procedure, attending shareholders shall elect a new Chairman by agreement of a majority of the votes represented by the attending shareholders and then continue the meeting.

Article 10

Before speaking, an attending shareholder must specify on a speaker's slip the subject, shareholder account number and account name. The order in which shareholders speak will be set by the Chairman.

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

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

Article 11

Except with the consent of the Chairman, a shareholder may not speak more than twice on the same proposal and shall not exceed five minutes in a single speech.

If the shareholder's speech violates the provision of the preceding paragraph or exceeds the scope of the agenda, the Chairman may terminate the speech.

Article 12

When a juristic person is appointed to attend a shareholders' meeting, it shall designate only one person as a representative in the meeting.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one representative shall speak on the same proposal.

Article 13

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

Article 14

When the Chairman is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the Chairman may announce the discussion closed and call for a vote.

Article 15

The scrutineer and counting personnel for the vote on a proposal shall be appointed by the Chairman, provided that all scrutineers shall be shareholders of the Company. Immediately after vote counting has been completed, the results of the voting shall be announced on-site at the meeting and recorded.

Article 16

When a meeting is in progress, the Chairman may announce a break based on time considerations.

Article 17

The passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders unless specified otherwise by the Company Act and the Company's Article of Incorporation. In case of a vote, if the shareholders exercising voting rights electronically have no objection to a proposal and other attending shareholders have no objection via the Chairman's query, it shall be deemed as passed. The effect shall be the same as that of a vote.

Article 18

When there is an amendment or an alternative to the same proposal, the Chairman shall decide the voting order in conjunction with the original case. When one of the cases is passed, the other proposals shall then be deemed rejected, and no further voting shall be required.

Article 19

The Chairman may direct the proctors (or security personnel) to help maintain order at the venue. When proctors (or security personnel) help maintain order at the meeting, they shall wear arm bands bearing the word "Proctor."

Article 20

These rules will be implemented after approval by the shareholders' meeting. Subsequent amendments thereto shall be affected in the same manner.

Article of Incorporation of Hsing Ta Cement Co., Ltd.

Date: June 19, 2025

Chapter 1 General Provisions

Article 1

The Company shall be incorporated as a Company Limited by Shares under the Company Act, and its name shall be Hsing Ta Cement Co., Ltd.

Article 2

The Company shall have its head office in Taipei City, and may, pursuant to a resolution adopted at the meeting of the Board of Directors, set up branch offices, mining areas or manufacturing factories within or outside the territory of the Republic of China when deemed necessary.

Article 3

The Code of Business Scope of the Company shall be ZZ99999, all business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 4

Deleted.

Article 5

The Company may provide endorsement or act as a guarantor pursuant to its business needs.

Article 5-1

The total amount of the Company's investment shall not be subject to the restriction of the Company Act. Any matter regarding the long-term equity investment shall be upon adoption of a resolution at the meeting of the Board of Directors.

Chapter 2 Capital Stock

Article 6

The total capital stock of the Company shall be in the amount of 5,400,000,000 New Taiwan Dollars, divided into 540,000,000 shares, at ten New Taiwan Dollars each, to be issued in installments.

Article 7

The share certificates of the Company shall all be name-bearing share certificates, and before they are issued, shall be signed by or affixed with the seals of no less than three Directors of the Company, and be certified pursuant to the law.

The Company shall be exempted from printing any share certificate for the shares issued and shall register the issued shares with a centralized securities depository enterprise.

Article 8

Seal specimen shall be submitted by each shareholder to the Company for filing, and this shall apply to any change to the seal specimen. The seal specimen kept by the Company shall be the basis for the exercise of each shareholder's right.

Article 9

All transfer of stocks, pledge of rights, loss, succession, gift, loss of seal, amendment of seal, change of address conducted by each shareholder of the Company shall follow the "Regulations Governing the Administration of Shareholder Services of Public Companies" unless specified otherwise by law and securities regulations.

Article 10

Registration for transfer of shares shall be suspended 60 days immediately before the convening date of a regular shareholders' meeting, and 30 days immediately before the convening date of any special shareholders' meeting, or within 5 days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Company.

Chapter 3 Shareholders' Meeting**Article 11**

The shareholders' meetings of the Company shall include regular and special meetings. Regular meetings shall be convened at least once a year within six months following the end of the fiscal year, and a written notice for convening a regular meeting shall be sent to each shareholder no later than 30 days prior to the scheduled meeting date. Special meetings shall be called when necessary, and a written notice for convening a special meeting shall be sent to each shareholder no later than 15 days prior to the scheduled meeting date. The convening date, place and subjects of a meeting shall be indicated in the notice provided to each shareholder.

The company hold a shareholders meeting, it can held by video conference or other way announced by the competent authority.

The shareholders' meeting shall be called by the Board of Directors unless specified otherwise by the Company Act.

Article 12

In the event that any shareholder cannot attend a shareholders' meeting in person, the shareholder may entrust a representative to attend the meeting by presenting a proxy issued by the Company, stamped with the original seal specimen and specifying the scope of authorization. When a person is entrusted by two or more shareholders, the number of the voting rights represented shall not exceed 3% of the total outstanding number of voting shares of the Company. Otherwise, the portion in excess of 3% voting rights represented by the total outstanding shares shall not be counted.

The use of a proxy for attendance at shareholders' meeting shall be in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder

Meetings of Public Companies” unless specified otherwise by the Company Act.

Article 13

The shareholders’ meeting shall be presided over by the Chairman of the Board of Directors of the Company unless specified otherwise by the Company Act. In case of the absence of the Chairman, a Director appointed by the Chairman shall be designated to act on behalf thereof. In the absence of the designation, the Directors shall elect one representative from among themselves to act on behalf of the Chairman.

Shareholders’ meeting shall follow Rules of Procedure for Shareholders’ Meeting of the Company.

Article 14

Each share held by each shareholder of the Company shall carry one voting right unless specified otherwise by the Company Act.

A shareholder shall exercise the voting right at a shareholders’ meeting in writing or by the way of electronic transmission. The exercise of the voting right shall be in accordance with the Company Act and the Regulation of Competent Authority.

Article 15

Unless specified otherwise by the Company Act, resolution of the shareholders’ meeting shall be adopted by a majority vote of the shareholders at a meeting attended by shareholders representing over half of the total outstanding shares.

Article 16

Resolutions adopted at a shareholders' meeting shall be recorded in the minutes affixed with the signature or seal of the Chairman and distributed to all shareholders within 20 days following the meeting.

The distribution of minutes shall be in accordance with the Company Act.

The minutes of shareholders' meeting shall record the date and place of the meeting, the name of the Chairman, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. The minutes shall be kept persistently throughout the life of the company.

The attendance list bearing the signatures of shareholders present at the meeting and the powers of attorney of the proxies shall be kept by the company for a minimum period of at least one year. However, if a lawsuit has been instituted by any shareholder in accordance with the Article 189 of the Company Act hereof, the minutes of the shareholders' meeting involved shall be kept by the company until the legal proceedings of the foregoing lawsuit have been concluded.

Chapter 4 Directors, Audit Committee

Article 17

The Company shall have nine Directors, including three Independent Directors. In accordance with Article 192-1 of the Company Act, a candidate nomination system shall be adopted by the Company and the shareholders shall elect the Directors from among

the nominees listed in the roster of Director candidates. The term of office of a Director shall not exceed three years and may be eligible for re-election.

The total number of registered shares owned by all Directors shall be in accordance with the ratio stipulated in "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies".

The professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination, and other matters for compliance with respect to Independent Directors shall be in accordance with the Regulation of Competent Authority.

The Directors of the Company shall be elected in accordance with Article 198 of the Company Act, with Independent and Non-Independent Directors elected at the same time, but in separately calculated numbers. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed an Independent and Non-Independent Director elected.

The Company may obtain Directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of directorship.

Article 17-1

The Company shall establish an Audit Committee, which shall be composed of all Independent Directors, one of whom shall be convener, and at least one of whom shall have accounting or financial expertise.

The Audit Committee shall be responsible for the duties of supervisors stipulated in the provisions of the Company Act, Securities and Exchange Act and other laws and regulations.

The exercise of powers by Audit Committees shall comply with the provisions of relevant regulations and the Company rules. The Audit Committee Charter shall be adopted by resolution of the Board of Directors.

Article 18

The Directors shall establish the Board of Directors. The Chairman of the Board of Directors shall be elected from among the Directors, and the Chairman shall be responsible for the overall administration of the business operations of the Company and represent the Company externally.

Article 19

In calling a meeting of the Board of Directors, a notice shall be sent to each Director no later than 7 days prior to the scheduled meeting date. In the case of emergency, a meeting of the Board of Directors may be convened at any time.

The reasons for calling a Board of Directors meeting shall be indicated on the notice which shall be sent in writing, by email or fax.

Meetings of the Board of Directors shall be convened by the Chairman of the Board of Directors. The Chairman of the Board of Directors shall preside the meeting of the Board of Directors, and in case of the absence of the Chairman, a Director appointed by the Chairman shall be designated to act on behalf thereof. In the absence of the designation,

the Directors shall elect one representative from among themselves to act on behalf of the Chairman.

In case a meeting of the Board of Directors is proceeded via visual communication network, then the Directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

In case of the absence of a Director, another Director shall be appointed to attend a meeting of the Board of Directors on behalf thereof with written proxy on which the scope of authority with reference to the subjects to be discussed at the meeting shall be indicated.

Article 20

Unless specified otherwise by the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the Directors at a meeting attended by a majority of the Directors.

Article 21

Deleted.

Article 22

The Board of Directors shall be authorized to determine the remuneration of Directors in line with industry standards. The transportation allowance for the Directors shall be adopted by resolution of the Board of Directors.

Chapter 5 Management

Article 23

The Company shall have one General manager and more Deputy General Managers, Senior managers and Managers. Appointment and discharge of the managerial personnel shall be decided by a resolution to be adopted by a majority vote of the Directors at a meeting of the Board of Directors attended by at least a majority of the entire Directors of the Company.

The General manager shall be responsible for the overall administration of the business operations of the Company in accordance with resolutions of the Board of Directors.

Article 24

The Company shall have one Chief Engineer of whom the appointment and discharge proposed by the Chairman of the Board of Directors shall be decided by a resolution of the Board of Directors.

Chapter 6 Accounting

Article 25

The fiscal year for the Company shall be from January 1 of each year to December 31 of the same year. After the close of each fiscal year, the following reports shall be prepared by the Board of Directors, and submitted to the regular shareholders' meeting for recognition:

1. Business Report.
2. Financial Statements.
3. Proposals Concerning the Distribution of Earnings or Compensation of Losses.

Article 26

If there is profit at the end of each fiscal year, at least 1% but less than 3% of profit of the current year shall be appropriated as employees' compensation and not more than 5% shall be distributed as Directors' remuneration. The employees' compensation and Directors' remuneration shall be upon adoption of a resolution at the meeting of the Board of Directors and be submitted to the shareholders' meeting. However, the Company shall reserve a sufficient amount to offset its accumulated losses.

At least 50% of the aforementioned employees' compensation shall be allocated as remuneration or salary adjustments for entry-level employees.

The term "entry-level employees" mentioned in the preceding paragraph refers to employees who are not managers and whose salary levels are below a reasonable benchmark determined by the Company based on industry characteristics and operational conditions. If there is a special need to extend the scope of entry-level employees to include employees of controlled or subordinate companies (such as subsidiaries), the Board of Directors shall define the criteria based on actual needs and submit them to the shareholders' meeting for resolution.

Article 26-1

The earnings of the current year, if any, shall be used to pay the tax first, offset the losses of the prior years, and then 10% of the remaining amount shall be set aside as legal reserve. When necessary if needed, the special reserve or retained earnings shall be set aside. Distribution as shareholders' dividends of remaining earnings along with the beginning unappropriated retained earnings shall be proposed by the Board of Directors and upon subject to the approval of the shareholders' meeting.

In accordance with the Regulation of Competent Authority, if there are Unrealized impairment loss on long-term investment, Accumulated translation adjustment or other debits of Shareholders' Equity, the same amount of special reserve within the following limits shall be set aside before distribution of retaining earnings.

1. Special reserve set aside for the current year's amount of the debit balance on Shareholders' Equity shall not be more than the sum of current year's net profit after tax and prior years' accumulated unappropriated retained earnings.

2. The prior years' amount of the debit balance on Shareholders' Equity shall not be more than the net of the amount reserved on subparagraph 1 deducted by prior years' accumulated unappropriated retained earnings.

The amount reversed from the debit balance of Shareholders' Equity may be distributed as earnings when reversed. The Company has entered a mature stage and regarding the distribution of dividends, the cash dividends shall not less than 10% of shareholders' bonuses of the current year unless needed in fact for future capital expenditures or financial plans of the Company's development.

Chapter 7 Supplemental Provisions

Article 27

The Company's organization and business guidelines shall be separately prescribed.

Article 28

Matters not stipulated herein shall be governed by the Company Act and other relevant laws and regulations.

Article 29

These Articles of Incorporation were enacted on March 15, 1964, with the 1st amendment on April 12, 1966; the 2nd amendment on August 15, 1966; the 3rd amendment on May 20, 1967; the 4th amendment on April 10, 1972; the 5th amendment on October 4, 1973; the 6th amendment on March 21, 1974; the 7th amendment on November 20, 1974; the 8th amendment on April 15, 1975; the 9th amendment on August 20, 1975; the 10th amendment on December 22, 1975; the 11th amendments on November 1, 1977; the 12th amendment on July 21, 1979; the 13th amendment on October 2, 1979; the 14th amendment on May 22, 1980; the 15th amendment on November 17, 1982; the 16th amendment on June 11, 1983; the 17th amendment on October 29, 1983; the 18th amendment on June 16, 1984; the 19th amendment on June 15, 1985; the 20th amendment on July 1, 1987; the 21st amendment on June 11, 1988; the 22nd amendment on February 19, 1990; the 23rd amendment on April 17, 1990; the 24th amendment on May 26, 1990; the 25th amendment on May 24, 1991; the 26th amendment on May 14, 1992; the 27th amendment on May 25, 1993; the 28th amendment on May 24, 1995; the 29th amendment on May 26, 2000; the 30th amendment on June 14, 2002; the 31st amendment on May 30, 2003; the 32nd amendment on June 14, 2005; the 33rd amendment on June 9, 2006; the 34th amendment on June 18, 2010; the 35th amendment on June 22, 2012; the 36th amendment on June 28, 2013; the 37th amendment on June 12, 2014; the 38th amendment on June 18, 2015; the 39th amendment on June 22, 2016; the 40th amendment on June 16, 2017; the 41st amendment on June 21, 2018; the 42st amendment on June 20, 2023; the 43st amendment on June 19, 2025, effective from the date of resolution of the shareholders' meeting. Subsequent amendments thereto shall be affected in the same manner.

Current Directors' Shareholdings are as follows on April 21, 2026:

Title	Name	Appointment Date	Number of Shares Held at the Time of Appointment			Number of Shares Held Currently			Note
			Stock Class	Number of Shares	%	Stock Class	Number of Shares	%	
Chairman	Yang Jee-Shing	June 19, 2024	Common Stock	34,905,166	10.23	Common Stock	34,982,166	10.25	-
Director	Yang Chung-Hsiung	June 19, 2024	Common Stock	41,528,048	12.17	Common Stock	35,028,048	10.27	-
Director	Yang Ren-Hsiung	June 19, 2024	Common Stock	36,108,783	10.58	Common Stock	36,108,783	10.58	-
Director	Yang Da-Qin	June 19, 2024	Common Stock	8,145,934	2.39	Common Stock	8,145,934	2.39	-
Director	Yang Yin-Hsing	June 19, 2024	Common Stock	5,169,655	1.52	Common Sock	5,169,655	1.52	-
Director Representative of director: Yang Po-Wei	Turbo investment Co., Ltd.	June 19, 2024	Common Stock	50,000	0.01	Common Stock	50,000	0.01	-
Independent Director	Wu Ruei-Tai	June 19, 2024	Common Stock	0	0.00	Common Stock	0	0.00	-
Independent Director	Chen Li-Xiong	June 09, 2021	Common Stock	0	0.00	Common Stock	0	0.00	-
Independent Director	Chen Da-Xiong	June 19, 2024	Common Stock	0	0.00	Common Stock	0	0.00	-
Total				125,907,586		Common Stock	119,484,586		

Total Number of Outstanding Shares on June 19, 2025: 341,158,868

Total Number of Outstanding Shares on April 21, 2026: 341,158,868

Note:

Total Number of Shares shall be held by all Directors pursuant to the law: 13,646,354.

Total Number of Shares held by all Directors as of April 21, 2026: 119,484,586.

The shareholdings of Independent Directors of the Company shall not be counted in the total of the shareholdings of Directors.

All Directors' shareholdings of the Company shall be in accordance with the percentage of "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies".

