

Date : 19 May 2025

Place : Auditorium of GIS MOTC Convention Center,
5F, No. 24, Hangzhou S. Rd., Section 1, Taipei, Taiwan

Convening Method :
Hybrid Shareholders Meeting
(Physical Shareholders Meeting Supported by Video-Conference)

E-Meeting Platform :
Taiwan Depository & Clearing Corp. / eVoting
<https://stockservices.tdcc.com.tw>



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Oriental Union Chemical Corporation (OUCC)

2025 Annual Shareholders Meeting

Convening Method: Hybrid Shareholders Meeting (Physical Shareholders Meeting Supported by Video Conference)

Time/Date: 9:00 am (Taipei time) on Monday, 19 May 2025

Place: Auditorium of GIS MOTC Convention Center,
5F, No. 24, Hangzhou S. Road, Section 1, Taipei, Taiwan

E-Meeting Platform: Taiwan Depository & Clearing Corporation/ eVoting
(<https://stockservices.tdcc.com.tw>)

Meeting Agenda

Call the meeting to order

Chairperson takes chair

Chairperson's remarks

Reporting items:

1. 2024 Business Report
2. 2024 Financial Statements
3. The Audit Committee's review report on 2024 Business Report and Financial Statements

Approval items:

1. To accept 2024 Business Report and Financial Statements
2. To approve the proposal for 2024 profit allocation

Discussion & election items:

1. To approve the amendment to Articles of Incorporation of OUCC

Extemporaneous motion

Meeting Adjourned

Reporting items

1. 2024 Business Report

I. Foreword

In view of 2024, the elevated purchasing power from the mitigation of global inflation sustained the commodity demand and service and stabilized the global trade volume with a growth rate of 3.5%, estimated by OECD. However, the intensified geopolitical issues, which resulted in the energy price fluctuations, supply constraints, and global supply chain disruptions, weakened the expected manufacturing export momentum and mitigated the overall economic growth, especially the Chinese market, which significantly impacted the global economy with a growth rate of 3.2% estimated by IMF in 2024. Taiwan benefited from the accelerated expansion of AI emerging technology and the like, driving the production and export growth. Taiwan's economic growth rate in 2024 was 4.59%, according to Directorate-General of Budget, Accounting and Statistics.

The crude oil market was also volatile in 2024 due to impact such as the geopolitical issues, OPEC+ oil production cuts and the expected oil production resumption of the US. The global petrochemical industry, on the other hand, underwent a severe imbalance between supply and demand, resulted from the market sluggish on account of macroeconomic uncertainties as well as the successive expansion of large-scale petrochemical refining system of China in recent years. The petrochemical industry of Taiwan, part of the global supply chain, wasn't spared.

To cope with the rapidly changing environment and strict challenges, the Company has dedicated relentlessly to the manufacturing process improvement, cost structure optimization, strengthening advantage across the strait, and advanced proactively in the high value-added product through its proprietary technology, base of ethylene oxide and axes in green, electronic and new materials. In 2024, the consolidated revenue reached NT\$23.8 billion, an increase of 14% from the previous year. The net profit after tax attributable to the Company was NT\$20 million, earnings per share (EPS) NT\$0.02.

II. Operating Performance Review

(1) Safety, Health and Environment

Aiming at the green and sustainable development, the Company practices circular economy, attaches great importance to issues such as industrial safety, health and environmental protection, and improves persistently the process design, equipment investment, and recycles homogeneous waste to reduce the impact on environment for the balanced development between industry production and environment protection.

Not only has the Company embarked, at an early stage, on its own carbon capture and utilization (CCU) technology to recycle and produce the high purity CO₂ for industrial, food and electronic businesses. CO₂ can then be further processed to produce ethylene carbonate (EC) for manufactures of polycarbonate (PC), composite materials, and electrolyte of lithium battery. Apart from the Company's outstanding solvents of ethanolamine and ethylenediamine, which feature in the carbon capture for downstream customers, the Company also strives to develop the CO₂-imbedded chemicals, technologies and products of plastic recycling and biodegradability to counteract the global CO₂ emission issues.

(2) EG Business

With China's massive capacity impact, the Company's ethylene glycol (EG) product line was affected by the unbalanced supply and demand, which weakened the EG prices. In 2024, the EG output across the strait totaled 510 thousand tons, an increase of 11% over 2023, while sales of 530 thousand tons, of 10% increase; the total output of ethylene oxide (EO) was 310 thousand tons, a decrease of 7% over 2023, and sales of 200 thousand tons, of 5% decrease.

(3) GAS Business

In response to the growth and decline of downstream gas industry applications, the Company continued to leverage its advantage in pipeline gas sales within the industrial park and expanded its strategy to diversified industrial customers of liquefied gas. Sales remained stable or slightly decreased. Liquefied CO₂ (LCO₂), targeted by many industries for reduction of carbon emissions under its current trend. Driven by the CO₂ recycling process trend, the market supply sustained growing, and prices remained stable to slightly downward.

In 2024, besides for self-use, the total oxygen sold on both sides was 73 thousand tons, a decrease of 13%; the nitrogen sold totaled 329 thousand tons, a decrease of 2% over 2023; while sales of CO₂ totaled 106 thousand tons, of 221% increase, amongst which the total sales volume of FUPY grew from the 2.3 thousand tons in 2023 to 76 thousand tons in 2024.

(4) Specialty Chemicals Business

The Company's overall performance of specialty chemicals in 2024 declined due to the sluggish global demand and regional tariff barriers. The total production volume across the strait was 190 thousand tons, a decrease of 3% compared to 2023; sales volume totaled 180 thousand tons, of 5% decrease.

As highly correlated to the overall economy growth, the 2024 overall market demand of ethylene oxide derivatives (EOD), which were supplied to the downstream industries such as daily chemicals, electronics, resin synthesis, textile auxiliary and concrete, underwent both price and volume reduction, resulted from the slow global economy growth and low-priced product dumping incurred by China's overcapacity.

As to the solvents and amines chemicals, which include ethanolamine (EAs), ethylene glycol butyl ether (EBs), and ethylene carbonate (EC) product series, the import reliance on EA in China was diminished due to the new production launch locally, so were the expanded capacity of EB and EC. The increase of the lithium battery electrolyte demand though boosted the demand of EC but also amplified the supply and demand competitiveness thereof. The Company optimized its product channels as the hedge against risks, developed and increased product applications of high purity grade, securing its domestic sales and product differentiation strategy, achieving a better performance than global peers.

The amine derivatives series include ethylenediamines (EDAs) and polyetheramines (PEAs), which can be widely applied in chelating agents, agriculture, papermaking, textiles, and electronic cleaning agents among many other domains. With its marketing strategy featured in the flexibility of amine series portfolio and market structure, the Company was able to release its pressure from low-priced product dumping, due to China's EDA new capacity launched in 2024, and secured the applications from domestic and overseas customers. PEAs, on the other hand, were focused on new applications

and terminal market development, according to the established sales strategy based on the differential in molecular weights, to seek market recognition and support, and further strengthen global market advantage.

III. 2025 Business Goals and Future Outlook

(1) Overview of 2025 Business Plan

1. EG Business

To cope with the EG oversupply as expected in 2025, the Company shall maximize its profit, by means of the high-efficiency catalysts employed by both EG plants across the strait for operation, as well as adjusting operation loads and EO/EG production ratios based on the latest market conditions. Moreover, with its coastal ethylene storage tank to enhance operative flexibility, the Company shall maintain optimal operation, implement thermal system integration, reduce manufacturing costs, and improve EG product competitiveness.

2. Gas Business

In 2025, the gas business will be based on existing pipeline and liquefied gas customers, actively seeking orders based on the growth of the electronics/semiconductor industries and promoting niche products to develop new customers. The Company will increase its direct supply of ultra-high purity CO₂ products to end customers, adjust product portfolio strategies, gradually increase supply to electronic and semiconductor customers to enhance profitability, and demonstrate its strength in low-carbon process.

3. Specialty Chemical Business

The EOD chemicals department will continue to promote existing bio-based products and collaborate with customers to introduce low-carbon chemicals and formulated functional products from recycled plastics (rPET) and carbon capture materials. Additionally, with the global awareness of environmental protection and the highlighted carbon reduction issues, the construction chemicals will be under development of a series of carbon reduction and new high-performance concrete water-reducing agents, strengthening the green concept and advancing with customers towards environmental sustainability.

The ethanolamine (EA) and ethylene glycol butyl ether (EB) product lines will continue development in electronic chemicals, increase semiconductor-grade product customers, and optimize sales channels to maintain market leadership. The ethylene carbonate (EC) product line will be based on the polycarbonate (PC) market, seize opportunities in the lithium battery electrolyte market, and develop high value-added products of high-purity ethylene carbonate (HPEC) and polycarbonate diol (PCDL).

The ethylenediamines (EDAs) and polyetheramines (PEAs) products of the amine derivatives department will continue to expand markets in the Americas and Northeast Asia, leveraging independent technology advantages to focus on developing high-specification amine chemicals and formulas, providing market with carbon reduction and chemical formulation solutions, and consolidating the Company's product market competitiveness to avoid the impact of low-priced new capacity in China. Following the continuous growth of global demand over various domains, the growth momentum of amine derivatives sales will sustain.

In general, with the advantages of EO raw materials and independent technology development, the Company will continue to promote high-value specialty chemical products, provide differentiated services, and focus on product quality and application services in 2025. Revenue and profit growth are expected.

(2) Future Operation Outlook

Looking ahead to 2025, the global economic environment continues to encounter multiple uncertainties such as geopolitical tensions, trade protectionism, extreme climate events, and carbon pricing. To effectively respond to these changes, the Company will continue to improve process efficiency, strengthen competitive advantages, and actively explore diverse product applications. Specifically, we will focus on optimizing our product portfolio, reducing the revenue share of bulk petrochemicals, and expanding the market share of highly differentiated, high value-added products to consolidate the core product position of the Company and enhance product value.

In terms of production, we will continuously improve production technology, enhance production line efficiency, and actively conserve energy consumption, moving towards more environmentally friendly green chemicals. At the same time, to actively respond to the transition to a low-carbon economy and achieve sustainable operations, the Company has incorporated environmental sustainability into its enterprise risk management system and formulated a green sustainable development strategy, investing in the research and development of green products and processes such as carbon capture and reuse, as well as plastic recycling.

Furthermore, the Company will continue developing key chemicals in line with the rapid development of the energy storage and AI industries, focusing on high-potential domains such as battery materials, electronic chemicals, high-purity gases, and specialty application materials. To further enhance overall operational efficiency, the Company will also actively promote the digitalization of operational management and introduce AI technology to optimize product services and functions.

Looking to the future, the Company will continue to drive innovation through research and development, grasp global technological development trends, and accelerate corporate transformation. Adhering to the principle of steady operation, the Company is committed to creating shared value for shareholders, customers, and employees, with the long-term vision of achieving carbon neutrality by 2050.

2. 2024 Financial Statements

The 2024 independent auditors' reports and financial statements by Deloitte & Touche are attached as follows. (The 2024 financial report can be downloaded at <https://mops.twse.com.tw>)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Oriental Union Chemical Corporation

Opinion

We have audited the accompanying consolidated financial statements of Oriental Union Chemical Corporation and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (“IFRS”), International Accounting Standards (“IAS”), IFRIC Interpretations (“IFRIC”), and SIC Interpretations (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission (“FSC”) of the Republic of China (“ROC”).

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The descriptions of the key audit matters of the consolidated financial statements for the year ended December 31, 2024 are as follow:

The Impairment Loss of Property, Plant and Equipment in Mainland China

As of December 31, 2024, the balances of property, plant and equipment in mainland China amounted to \$6,895,742 thousand. Management considers the subsidiary in mainland China as a cash-generating unit and, in accordance with the International Accounting Standard No. 36 ‘Impairment of Assets,’ the management assesses property, plant and equipment for signs of impairment at the end of each reporting period. If any impairment indicators are identified, the recoverable amount of the

asset should be estimated to assess the amount of impairment. Management evaluates the recoverable amount of property, plant and equipment using the value-in-use model. Since this calculation involves various assumptions and uncertainties in estimates, we deem the review of impairment of the property, plant and equipment of the mainland China subsidiary a key audit matter.

Corresponding audit procedures:

1. We obtained an understanding of the internal controls relevant to management's assessment and oversight of the impairment evaluation of property, plant and equipment.
2. We obtained the impairment evaluation report for property, plant and equipment issued by a professional valuation firm commissioned by management, and evaluated the professional capacity, competence, and objectivity of independent valuers.
3. We evaluated the valuation model used by management to calculate the recoverable amount.
4. We assessed the assumptions used in the valuation model, including the classification of cash-generating units, cash flow forecasts, discount rates, etc., and considered the company's past operational performance, industry conditions, and future prospects, to comprehensively evaluate the reasonableness of the impairment assessment.

Other Matter

We have also audited the parent company only financial statements of Oriental Union Chemical Corporation as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified report.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of

China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Wen-Ling Liu and Pei-De Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 7, 2025

Notice to Readers

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

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

ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024		2023	
	Amount	%	Amount	%
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,674,844	6	\$ 1,917,016	6
Financial assets at fair value through profit or loss	50,990	-	66,595	-
Financial assets at amortized cost	10,034	-	-	-
Notes receivable, net	92,421	-	110,852	-
Trade receivables, net	1,033,851	3	911,145	3
Trade receivables from related parties	272,255	1	80,746	-
Other receivables	627,368	2	563,784	2
Inventories	1,355,168	4	1,397,180	4
Prepayments for purchases	56,188	-	364,188	1
Other prepayments	39,616	-	66,911	-
Other current assets	196,681	1	177,571	1
Total current assets	5,409,416	17	5,655,988	17
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income	4,905,158	16	7,103,068	22
Financial assets at amortized cost	102,887	-	64,942	-
Investments accounted for using the equity method	95,850	-	138,109	-
Property, plant and equipment	11,878,813	38	11,378,230	35
Construction in progress	3,551,405	11	3,113,584	9
Right-of-use assets	389,620	1	376,973	1
Investment properties	1,682,742	6	1,682,742	5
Intangible assets	52,976	-	48,857	-
Deferred tax assets	626,827	2	525,309	2
Other non-current assets	2,739,383	9	2,926,529	9
Total non-current assets	26,025,661	83	27,358,343	83
TOTAL	<u>\$ 31,435,077</u>	<u>100</u>	<u>\$ 33,014,331</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings	\$ 6,527,141	21	\$ 6,126,925	19
Short-term bills payable	-	-	199,936	1
Notes payable	50,169	-	151,733	-
Trade payables	1,550,749	5	1,333,301	4
Other payables	477,035	2	453,256	1
Other payables to related parties	81,485	-	89,875	-
Current tax liabilities	14,428	-	-	-
Lease liabilities	9,668	-	6,629	-
Other current liabilities	243,298	1	262,355	1
Total current liabilities	8,953,973	29	8,624,010	26
NON-CURRENT LIABILITIES				
Long-term borrowings	8,231,979	26	9,014,232	27
Deferred tax liabilities	681,811	2	718,463	2
Lease liabilities	15,993	-	14,998	-
Net defined benefit liabilities	155,150	1	158,090	1
Guarantee deposits	21,931	-	40,530	-
Other non-current liabilities	20,326	-	53,250	-
Total non-current liabilities	9,127,190	29	9,999,563	30
Total liabilities	18,081,163	58	18,623,573	56
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION				
Ordinary shares	8,857,031	28	8,857,031	27
Capital surplus	1,091,942	3	1,087,752	3
Retained earnings				
Legal reserve	1,645,947	5	1,619,080	5
Special reserve	1,911,129	6	1,911,129	6
Unappropriated earnings	483,138	2	301,938	1
Total retained earnings	4,040,214	13	3,832,147	12
Other equity				
Exchange differences on translating foreign operations	(324,402)	(1)	(545,606)	(2)
Unrealized loss on financial assets at fair value through other comprehensive income	(2,749,995)	(9)	(1,324,205)	(4)
Total other equity	(3,074,397)	(10)	(1,869,811)	(6)
Treasury shares	(118,460)	-	(124,373)	-
NON-CONTROLLING INTERESTS	2,557,584	8	2,608,012	8
Total equity	13,353,914	42	14,390,758	44
TOTAL	<u>\$ 31,435,077</u>	<u>100</u>	<u>\$ 33,014,331</u>	<u>100</u>

ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE				
Sales revenue	\$ 23,735,756	100	\$ 20,792,927	100
Other operating revenue	<u>48,864</u>	<u>-</u>	<u>24,004</u>	<u>-</u>
Total operating revenue	<u>23,784,620</u>	<u>100</u>	<u>20,816,931</u>	<u>100</u>
OPERATING COST				
Cost of goods sold	22,690,338	95	<u>20,480,005</u>	<u>98</u>
GROSS PROFIT	<u>1,094,282</u>	<u>5</u>	<u>336,926</u>	<u>2</u>
OPERATING EXPENSES				
Selling and marketing expenses	691,398	3	530,363	3
General and administrative expenses	245,546	1	277,035	1
Research and development expenses	229,057	1	209,604	1
Expected credit (gain) loss	<u>(410)</u>	<u>-</u>	<u>402</u>	<u>-</u>
Total operating expenses	<u>1,165,591</u>	<u>5</u>	<u>1,017,404</u>	<u>5</u>
LOSS FROM OPERATIONS	<u>(71,309)</u>	<u>-</u>	<u>(680,478)</u>	<u>(3)</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	30,768	-	40,222	-
Rental income	34,942	-	33,631	-
Dividend income	44,466	-	67,886	-
Other income	96,462	-	50,015	-
Gain on disposal of property, plant and equipment	123	-	4,352	-
Gain on disposal of non-current assets held for sale	-	-	743,178	4
Foreign currency exchange gain	3,441	-	16,629	-
(Loss) gain on financial assets at fair value through profit or loss	(1,134)	-	3,254	-
Interest expense	(322,296)	(1)	(375,387)	(2)
Other expenses	(40,423)	-	(52,320)	-
Share of loss of associates accounted for using the equity method	<u>(48,894)</u>	<u>-</u>	<u>(47,357)</u>	<u>-</u>
Total non-operating income and expenses	<u>(202,545)</u>	<u>(1)</u>	<u>484,103</u>	<u>2</u>
LOSS BEFORE INCOME TAX	(273,854)	(1)	(196,375)	(1)
INCOME TAX (BENEFIT) EXPENSE (Note 25)	<u>(109,768)</u>	<u>-</u>	<u>27,923</u>	<u>-</u>

(Continued)

ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
NET LOSS FOR THE YEAR	\$ (164,086)	(1)	\$ (224,298)	(1)
OTHER COMPREHENSIVE LOSS				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	657	-	3,675	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	(1,061,097)	(4)	(233,804)	(1)
Income tax relating to items that will not be reclassified subsequently to profit or loss	(131)	-	(735)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statement of foreign operations	354,851	1	(92,832)	(1)
Other comprehensive loss for the year, net of income tax	(705,720)	(3)	(323,696)	(2)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	\$ (869,806)	(4)	\$ (547,994)	(3)
NET PROFIT (LOSS) ATTRIBUTED TO:				
Owners of the Corporation	\$ 19,989	-	\$ 265,724	1
Non-controlling interests	(184,075)	(1)	(490,022)	(2)
	\$ (164,086)	(1)	\$ (224,298)	(1)
TOTAL COMPREHENSIVE LOSS ATTRIBUTED TO:				
Owners of the Corporation	\$ (819,378)	(4)	\$ (32,822)	-
Non-controlling interests	(50,428)	-	(515,172)	(3)
	\$ (869,806)	(4)	\$ (547,994)	(3)
EARNINGS PER SHARE				
Basic	\$ 0.02		\$ 0.30	
Diluted	\$ 0.02		\$ 0.30	

(Concluded)

ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Corporation											
		Capital Surplus			Retained Earnings			Other Equity				
	Ordinary Shares	Paid-in Capital in Excess of Par Value	Treasury Shares	Other	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Loss on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Shares	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2023	\$ 8,857,031	\$ 470,767	\$ 379,705	\$ 235,458	\$ 1,615,037	\$ 1,911,129	\$ 214,458	\$ (477,924)	\$ (1,090,401)	\$ (124,373)	\$ 2,303,848	\$ 14,294,735
Legal reserve	-	-	-	-	4,043	-	(4,043)	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	-	(177,141)	-	-	-	-	(177,141)
Net profit (loss) for the year ended December 31, 2023	-	-	-	-	-	-	265,724	-	-	-	(490,022)	(224,298)
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	-	2,940	(67,682)	(233,804)	-	(25,150)	(323,696)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	-	268,664	(67,682)	(233,804)	-	(515,172)	(547,994)
Change in capital surplus from dividends distributed to subsidiaries	-	-	1,822	-	-	-	-	-	-	-	-	1,822
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	819,336	819,336
BALANCE AT DECEMBER 31, 2023	8,857,031	470,767	381,527	235,458	1,619,080	1,911,129	301,938	(545,606)	(1,324,205)	(124,373)	2,608,012	14,390,758
Legal reserve	-	-	-	-	26,867	-	(26,867)	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	-	(177,141)	-	-	-	-	(177,141)
Net profit (loss) for the year ended December 31, 2024	-	-	-	-	-	-	19,989	-	-	-	(184,075)	(164,086)
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	-	526	221,204	(1,061,097)	-	133,647	(705,720)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	-	20,515	221,204	(1,061,097)	-	(50,428)	(869,806)
Disposal of the Corporation's shares held by subsidiaries	-	-	2,455	-	-	-	-	-	-	5,913	-	8,368
Change in capital surplus from dividends distributed to subsidiaries	-	-	1,735	-	-	-	-	-	-	-	-	1,735
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	364,693	-	(364,693)	-	-	-
BALANCE AT DECEMBER 31, 2024	\$ 8,857,031	\$ 470,767	\$ 385,717	\$ 235,458	\$ 1,645,947	\$ 1,911,129	\$ 483,138	\$ (324,402)	\$ (2,749,995)	\$ (118,460)	\$ 2,557,584	\$ 13,353,914

ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax	\$ (273,854)	\$ (196,375)
Adjustments:		
Depreciation expenses	1,113,157	1,064,480
Amortization expenses	15,787	14,454
Expected credit loss (reversed) recognized on trade receivables	(410)	402
Loss (gain) on financial assets at fair value through profit or loss, net	1,134	(3,254)
Interest expense	322,296	375,387
Interest income	(30,768)	(40,222)
Dividend income	(44,466)	(67,886)
Share of loss of associates accounted for using the equity method	48,894	47,357
Gain on disposal of property, plant and equipment	(123)	(4,352)
Gain on disposal of non-current assets held for sale	-	(743,178)
Write-downs of inventories	2,868	9,271
Net loss on foreign currency exchange	51,370	19,258
Changes in operating assets and liabilities		
Financial assets at fair value through profit or loss	14,471	(14,634)
Notes receivable	18,468	36,880
Trade receivables	(122,333)	(1,072)
Trade receivables from related parties	(191,509)	(12,402)
Other receivables	(34,685)	(1,705)
Inventories	71,041	(152,482)
Prepayments	335,291	(96,292)
Other current assets	(19,110)	155,430
Notes payable	(101,564)	6,221
Trade payables	217,448	137,777
Other payables	(12,000)	(118,337)
Other current liabilities	(19,057)	50,091
Net defined benefit liabilities	(2,283)	(6,819)
Other non-current liabilities	(32,924)	(16,788)
Cash generated from operations	1,327,139	441,210
Interest received	30,771	42,678
Interest paid	(316,784)	(425,636)
Income tax paid	(293)	(23,249)
Net cash generated from operating activities	1,040,833	35,003

(Continued)

ORIENTAL UNION CHEMICAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of financial assets at fair value through other comprehensive income	1,180,175	-
Proceeds from the capital reduction of financial assets at fair value through other comprehensive income	-	19,350
(Increase) decrease in financial assets at amortized cost	(47,867)	353,499
Proceeds from disposal of non-current assets held for sale	-	1,051,800
Payments for property, plant and equipment	(7,203)	(26,737)
Proceeds from disposal of property, plant and equipment	\$ 168	\$ 5,553
Payments for intangible assets	(13,540)	(17,415)
Acquisition of right-of-use assets	(512)	-
Decrease in other non-current assets	270,088	430,770
Increase in construction in progress	(1,628,812)	(886,920)
Other dividends received	<u>44,466</u>	<u>67,886</u>
Net cash (used in) generated from investing activities	<u>(203,037)</u>	<u>997,786</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from (repayments of) short-term borrowings	87,102	(1,503,384)
(Repayments of) proceeds from short-term bills payable	(199,936)	199,936
Proceeds from long-term borrowings	15,566,817	23,254,523
Repayments of long-term borrowings	(16,350,000)	(23,838,259)
Decrease in guarantee deposits	(18,599)	(13,845)
Repayment of the principal portion of lease liabilities	(8,022)	(5,340)
Dividends paid to owners of the Corporation	(175,406)	(175,319)
Proceeds from reissuance of treasury shares	8,368	-
Changes in non-controlling interests	<u>-</u>	<u>819,336</u>
Net cash used in financing activities	<u>(1,089,676)</u>	<u>(1,262,352)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>9,708</u>	<u>1,151</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(242,172)	(228,412)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>1,917,016</u>	<u>2,145,428</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,674,844</u>	<u>\$ 1,917,016</u>
		(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Oriental Union Chemical Corporation

Opinion

We have audited the accompanying financial statements of Oriental Union Chemical Corporation (collectively referred to as the "Corporation"), which comprise the balance sheets as of December 31, 2024 and 2023, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information (collectively to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2024 and 2023, and its financial performance and its 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 the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation in accordance with The Norm of Professional Ethics for Certified Public Accountant of the ROC, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The descriptions of the key audit matters of the financial statements for the year ended December 31, 2024 are as follow:

The Impairment Loss of Property, Plant and Equipment in Subsidiaries Accounted for Using the Equity Method in Mainland China

As of December 31, 2024, the balances of property, plant and equipment in Subsidiaries Accounted for Using the Equity Method in mainland China amounted to \$6,895,742 thousand. Management

considers the subsidiary in mainland China as a cash-generating unit and, in accordance with the International Accounting Standard No. 36 ‘Impairment of Assets,’ the management assesses property, plant and equipment for signs of impairment at the end of each reporting period. If any impairment indicators are identified, the recoverable amount of the asset should be estimated to assess the amount of impairment. Management evaluates the recoverable amount of property, plant and equipment using the value-in-use model. Since this calculation involves various assumptions and uncertainties in estimates, we deem the review of impairment of the property, plant and equipment of the mainland China subsidiary a key audit matter.

Corresponding audit procedures:

1. We obtained an understanding of the internal controls relevant to management’s assessment and oversight of the impairment evaluation of property, plant and equipment.
2. We obtained the impairment evaluation report for property, plant and equipment issued by a professional valuation firm commissioned by management, and evaluated the professional capacity, competence, and objectivity of independent valuers.
3. We evaluated the valuation model used by management to calculate the recoverable amount.
4. We assessed the assumptions used in the valuation model, including the classification of cash-generating units, cash flow forecasts, discount rates, etc., and considered the company’s past operational performance, industry conditions, and future prospects, to comprehensively evaluate the reasonableness of the impairment assessment.

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

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

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

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

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report

that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 financial statements.

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Corporation to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the Corporation 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 financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Wen-Ling Liu and Pei-De Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 7, 2025

Notice to Readers

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

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

ORIENTAL UNION CHEMICAL CORPORATION

BALANCE SHEETS

DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents	\$ 251,579	1	\$ 356,473	2
Notes receivable, net	71,621	-	77,743	-
Trade receivables, net	517,376	3	704,106	3
Trade receivables from related parties	174,405	1	53,192	-
Other receivables	1,523	-	1,842	-
Inventories	709,422	3	784,494	4
Prepayments for purchases	16,946	-	99,593	1
Other prepayments	23,575	-	21,680	-
Other current assets	141,746	1	98,761	-
Total current assets	<u>1,908,193</u>	<u>9</u>	<u>2,197,884</u>	<u>10</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income	3,042,018	14	4,326,158	19
Financial assets at amortized cost	102,887	-	64,942	-
Investments accounted for using the equity method	5,262,012	25	5,697,426	25
Property, plant and equipment	4,983,071	24	4,513,098	20
Construction in progress	2,581,473	12	2,805,814	12
Right-of-use assets	25,562	-	21,350	-
Investment properties	1,682,742	8	1,682,742	8
Intangible assets	2,007	-	5,311	-
Deferred tax assets	326,468	2	239,808	1
Other non-current assets	<u>1,177,921</u>	<u>6</u>	<u>1,200,547</u>	<u>5</u>
Total non-current assets	<u>19,186,161</u>	<u>91</u>	<u>20,557,196</u>	<u>90</u>
TOTAL	<u>\$ 21,094,354</u>	<u>100</u>	<u>\$ 22,755,080</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Trade payables	\$ 737,563	3	\$ 782,049	3
Other payables	329,837	2	350,860	2
Current tax liabilities	10,237	-	-	-
Lease liabilities	9,668	-	6,629	-
Other current liabilities	<u>141,233</u>	<u>1</u>	<u>175,589</u>	<u>1</u>
Total current liabilities	<u>1,228,538</u>	<u>6</u>	<u>1,315,127</u>	<u>6</u>
NON-CURRENT LIABILITIES				
Long-term borrowings	8,200,000	39	8,700,000	38
Deferred tax liabilities	661,768	3	698,046	3
Lease liabilities	15,993	-	14,998	-
Net defined benefit liabilities	155,150	1	158,090	1
Guarantee deposits	16,249	-	32,823	-
Other non-current liabilities	<u>20,326</u>	<u>-</u>	<u>53,250</u>	<u>-</u>
Total non-current liabilities	<u>9,069,486</u>	<u>43</u>	<u>9,657,207</u>	<u>42</u>
Total liabilities	<u>10,298,024</u>	<u>49</u>	<u>10,972,334</u>	<u>48</u>
EQUITY				
Ordinary shares	<u>8,857,031</u>	<u>42</u>	<u>8,857,031</u>	<u>39</u>
Capital surplus	<u>1,091,942</u>	<u>5</u>	<u>1,087,752</u>	<u>5</u>
Retained earnings				
Legal reserve	1,645,947	8	1,619,080	7
Special reserve	1,911,129	9	1,911,129	9
Unappropriated earnings	<u>483,138</u>	<u>2</u>	<u>301,938</u>	<u>1</u>
Total retained earnings	<u>4,040,214</u>	<u>19</u>	<u>3,832,147</u>	<u>17</u>
Other equity				
Exchange differences on translating foreign operations	(324,402)	(2)	(545,606)	(2)
Unrealized loss on financial assets at fair value through other comprehensive income	<u>(2,749,995)</u>	<u>(13)</u>	<u>(1,324,205)</u>	<u>(6)</u>
Total other equity	<u>(3,074,397)</u>	<u>(15)</u>	<u>(1,869,811)</u>	<u>(8)</u>
Treasury shares	<u>(118,460)</u>	<u>-</u>	<u>(124,373)</u>	<u>(1)</u>
Total equity	<u>10,796,330</u>	<u>51</u>	<u>11,782,746</u>	<u>52</u>
TOTAL	<u>\$ 21,094,354</u>	<u>100</u>	<u>\$ 22,755,080</u>	<u>100</u>

ORIENTAL UNION CHEMICAL CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE				
Sales revenue	\$ 11,468,163	100	\$ 10,347,248	100
OPERATING COST				
Cost of goods sold	<u>10,397,555</u>	<u>91</u>	<u>9,345,111</u>	<u>90</u>
GROSS PROFIT	<u>1,070,608</u>	<u>9</u>	<u>1,002,137</u>	<u>10</u>
OPERATING EXPENSES				
Selling and marketing expenses	639,593	5	494,204	5
General and administrative expenses	114,629	1	139,349	1
Research and development expenses	185,307	2	168,427	2
Expected credit (gain) loss	<u>(410)</u>	<u>-</u>	<u>402</u>	<u>-</u>
Total operating expenses	<u>939,119</u>	<u>8</u>	<u>802,382</u>	<u>8</u>
PROFIT FROM OPERATIONS	<u>131,489</u>	<u>1</u>	<u>199,755</u>	<u>2</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	2,922	-	8,978	-
Rental income	35,050	-	33,739	-
Dividend income	44,466	-	67,886	1
Other income	58,438	1	27,687	-
Gain on disposal of property, plant and equipment	159	-	5,553	-
Gain on disposal of non-current assets held for sale	-	-	743,178	7
Foreign currency exchange gain	8,521	-	5,876	-
Interest expense	(144,167)	(1)	(147,455)	(1)
Other expenses	(24,915)	-	(30,480)	-
Share of loss of subsidiaries accounted for using equity method	<u>(204,521)</u>	<u>(2)</u>	<u>(619,149)</u>	<u>(6)</u>
Total non-operating income and expenses	<u>(224,047)</u>	<u>(2)</u>	<u>95,813</u>	<u>1</u>
(LOSS) PROFIT BEFORE INCOME TAX	(92,558)	(1)	295,568	3
INCOME TAX (BENEFIT) EXPENSE	<u>(112,547)</u>	<u>(1)</u>	<u>29,844</u>	<u>-</u>
NET PROFIT FOR THE YEAR	<u>19,989</u>	<u>-</u>	<u>265,724</u>	<u>3</u>
OTHER COMPREHENSIVE LOSS				

(Continued)

ORIENTAL UNION CHEMICAL CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	\$ 657	-	\$ 3,675	-
Unrealized loss (gain) on investments in equity instruments at fair value through other comprehensive income	(598,897)	(5)	424,703	4
Income tax relating to items that will not be reclassified subsequently to profit or loss	(131)	-	(735)	-
Share of the other comprehensive loss of subsidiaries accounted for using equity method	(462,200)	(4)	(658,507)	(6)
Items that may be reclassified subsequently to profit or loss:				
Share of the other comprehensive income (loss) of subsidiaries accounted for using equity method	<u>221,204</u>	<u>2</u>	<u>(67,682)</u>	<u>(1)</u>
Other comprehensive loss for the year, net of income tax	<u>(839,367)</u>	<u>(7)</u>	<u>(298,546)</u>	<u>(3)</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	<u>\$ (819,378)</u>	<u>(7)</u>	<u>\$ (32,822)</u>	<u>-</u>
EARNINGS PER SHARE				
Basic	<u>\$ 0.02</u>		<u>\$ 0.30</u>	
Diluted	<u>\$ 0.02</u>		<u>\$ 0.30</u>	

(Concluded)

ORIENTAL UNION CHEMICAL CORPORATION

STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	Ordinary Shares	Capital Surplus			Retained Earnings			Other Equity		Treasury Shares	Total Equity
		Paid-in Capital in Excess of Par Value	Treasury Shares	Other	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Loss on Financial Assets at Fair Value Through Other Comprehensive Income		
BALANCE AT JANUARY 1, 2023	\$ 8,857,031	\$ 470,767	\$ 379,705	\$ 235,458	\$ 1,615,037	\$ 1,911,129	\$ 214,458	\$ (477,924)	\$ (1,090,401)	\$ (124,373)	\$ 11,990,887
Legal reserve	-	-	-	-	4,043	-	(4,043)	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	-	(177,141)	-	-	-	(177,141)
Net profit for the year ended December 31, 2023	-	-	-	-	-	-	265,724	-	-	-	265,724
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	-	2,940	(67,682)	(233,804)	-	(298,546)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	-	268,664	(67,682)	(233,804)	-	(32,822)
Change in capital surplus from dividends distributed to subsidiaries	-	-	1,822	-	-	-	-	-	-	-	1,822
BALANCE AT DECEMBER 31, 2023	8,857,031	470,767	381,527	235,458	1,619,080	1,911,129	301,938	(545,606)	(1,324,205)	(124,373)	11,782,746
Legal reserve	-	-	-	-	26,867	-	(26,867)	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	-	(177,141)	-	-	-	(177,141)
Net profit for the year ended December 31, 2024	-	-	-	-	-	-	19,989	-	-	-	19,989
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	-	526	221,204	(1,061,097)	-	(839,367)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	-	20,515	221,204	(1,061,097)	-	(819,378)
Disposal of the Corporation's shares held by subsidiaries	-	-	2,455	-	-	-	-	-	-	5,913	8,368
Change in capital surplus from dividends distributed to subsidiaries	-	-	1,735	-	-	-	-	-	-	-	1,735
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	364,693	-	(364,693)	-	-
BALANCE AT DECEMBER 31, 2024	\$ 8,857,031	\$ 470,767	\$ 385,717	\$ 235,458	\$ 1,645,947	\$ 1,911,129	\$ 483,138	\$ (324,402)	\$ (2,749,995)	\$ (118,460)	\$ 10,796,330

ORIENTAL UNION CHEMICAL CORPORATION

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) profit before income tax	\$ (92,558)	\$ 295,568
Adjustments:		
Depreciation expenses	569,310	530,787
Amortization expenses	7,346	7,491
Expected credit loss (reversed) recognized on trade receivables	(410)	402
Interest expense	144,167	147,455
Interest income	(2,922)	(8,978)
Dividend income	(44,466)	(67,886)
Share of loss of subsidiaries accounted for using equity method	204,521	619,149
Gain on disposal of property, plant and equipment	(159)	(5,553)
Gain on disposal of non-current assets held for sale	-	(743,178)
Write-downs of inventories	28,880	27,023
Net (gain) loss on foreign currency exchange	(9,080)	372
Changes in operating assets and liabilities		
Notes receivable	6,159	(22,172)
Trade receivables	65,890	(44,814)
Other receivables	349	(362)
Inventories	46,192	(155,361)
Prepayments	80,752	(95,161)
Other current assets	(42,985)	86,514
Trade payables	(44,486)	287,788
Other payables	(12,771)	21,745
Other current liabilities	(34,356)	52,732
Net defined benefit liabilities	(2,283)	(6,819)
Other non-current liabilities	(32,924)	(16,788)
Cash generated from operations	834,166	909,954
Interest received	2,895	8,892
Interest paid	(141,349)	(152,256)
Income tax paid	(288)	(23,246)
Net cash generated from operating activities	695,424	743,344

(Continued)

ORIENTAL UNION CHEMICAL CORPORATION

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

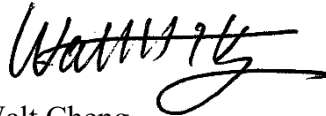
	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of financial assets at fair value through other comprehensive income	\$ 685,243	\$ -
Proceeds from the capital reduction of financial assets at fair value through other comprehensive income	-	19,350
Increase in financial assets at amortized cost	(37,945)	(419)
Acquisition of subsidiaries	-	(720,741)
Proceeds from disposal of non-current assets held for sale	-	1,051,800
Proceeds from disposal of property, plant and equipment	159	5,553
Acquisition of right-of-use assets	(512)	-
Decrease (increase) in other non-current assets	18,584	(24,201)
Increase in construction in progress	(817,656)	(632,567)
Dividends received	<u>44,466</u>	<u>67,886</u>
Net cash used in investing activities	<u>(107,661)</u>	<u>(233,339)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	14,700,000	21,490,000
Repayments of long-term borrowings	(15,200,000)	(21,789,258)
Decrease in guarantee deposits	(16,574)	(16,297)
Repayment of the principal portion of lease liabilities	(8,022)	(5,340)
Dividends paid to owners of the Corporation	<u>(177,141)</u>	<u>(177,141)</u>
Net cash used in financing activities	<u>(701,737)</u>	<u>(498,036)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>9,080</u>	<u>(372)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(104,894)	11,597
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>356,473</u>	<u>344,876</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 251,579</u>	<u>\$ 356,473</u>

(Concluded)

3. Audit Committee's review report on the 2024 Business Report and Financial Statements

To the 2025 Annual Shareholders' Meeting of Oriental Union Chemical Corporation,

In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we have examined the Business Report, Financial Statements, and the Resolution for Allocation of Surplus Profit submitted by the Board of Directors for the year ending 2024, which have been audited by the CPAs, Wen-Ling Liu and Pei-De Chen of Deloitte & Touche, and found them in order.

A handwritten signature in black ink, appearing to read 'Walt Cheng', with a stylized, flowing script.

The Convener of the Audit Committee: Walt Cheng

March 7, 2025

Approval items

1. To accept 2024 Business Report and Financial Statements

The Board of Directors proposes and recommends that each shareholder votes FOR the acceptance of 2024 Business Report and Financial Statements.

Explanatory notes:

- (1) OUCC's 2024 Business Report and Financial Statements (including consolidated balance sheets, consolidated statements of comprehensive income, consolidated statements of changes in equity, consolidated statements of cash flows, and balance sheets, statements of comprehensive income, statements of changes in equity, statements of cash flows, please refer to p2 – p26) have been audited by independent auditors, Wen-Ling Liu and Pei-De Chen of Deloitte & Touche, and have been examined and determined to be correct and accurate by Audit Committee of OUCC. We thereby submit this report.
- (2) Please accept the aforesaid Business Report and Financial Statements.

2. To approve the proposal for the 2024 profit allocation

The Board of Directors proposes and recommends that each shareholder votes FOR the 2024 profit allocation.

Explanatory notes:

- (1) OUCC's 2024 financial statements have been completed and audited by the CPAs of Deloitte & Touche. The 2024 profit allocation, pursuant to Article 34 of Articles of Incorporation, is proposed as follows: (Unit: NT\$)

(A) Beginning of unappropriated earnings	\$ 97,930,538
(B) 2024 net income	19,989,537
(C) Disposed equities at fair value through other comprehensive Income, and transferred cumulated income to retained earnings	364,692,584
(D) Confirmed reevaluated amount of welfare plan for retained earnings	<u>525,254</u>
(E) Yearly net income with other item besides net income included as unappropriated earnings (B)+(C)+(D)	385,207,375
(F) Legal reserve appropriation	(38,520,737)
(G) Special reserve appropriation	(444,617,176)
(H) Retained earnings available for distribution (A)+(E)+(F)+(G)	0

- (2) On account of the zero amount of retained earnings available stated above, OUCC will have no profit allocation for 2024.
- (3) The appropriate special reserve for the profit allocation proposal complies with the decree of Jin-Guan-Jan-Fa-Tze No. 1090150022 of Financial Supervisory Commission dated 31 March 2021.
- (4) The proposal has been approved by the 4th Board of Directors meeting of the 17th term in 2025.
- (5) Please accept the aforesaid proposal.

Discussion Item

1. To approve the amendment to Articles of Incorporation of OUCC

The Board of Directors proposes and recommends that each shareholder votes FOR the re-election of Directors (including Independent Directors).

Explanatory notes:

- (1) In accordance with Article 4 of Taiwan Stock Exchange Corporation Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers, the number of Independent Directors seats shall be no less than one third. The Company adjusts the number of Independent Directors accordingly.
- (2) The decree of Jin-Guan-Jan-Fa-Tze No. 1130385442: Pursuant to Article 14, Paragraph 6 of the Securities and Exchange Act, listed companies shall, at the latest in the 2025 shareholders' meeting, amend their articles of association in accordance with the provisions of this article to stipulate matters related to the use of a certain percentage of annual profits to adjust the salaries or distribute remuneration to fundamental employees, which are referred to those who are no managers and whose salary level is lower than a certain amount. The aforesaid "certain amount" is determined by the company based on its own operating conditions and industrial properties, yet it shall be no lower than the salary level of fundamental employees defined in the Ministry of Economic Affairs' "Regulations on the Deduction of Salary Expenses for Employees of Small and Medium-sized Enterprises".
- (3) In conformity with the request of competent authorities, the Company amends its Articles of Incorporation as attached.
- (4) Please accept the aforesaid proposal.

Attachment

Section	Proposed Changes	Current Articles
Article 16	<p>The Company shall have 9 to 15 Directors, who are elected and appointed by the people with legal capacity at the shareholders' meeting. The total share number of the registered shares of the Company held by all the Directors shall be determined according to the provisions of "Rules and Review Procedures for Director and Supervisor Ownership Ratios at Public Companies".</p> <p>Three to five Independent Directors shall be elected from the list of people with legal capacity. Directors shall be elected by adopting the candidate nomination system in accordance with Article 192-1 of Company Act. The shareholders shall elect from the nominees listed in the roster of candidates. The election of Independent, Non-Independent Directors should be held together, yet with the elected calculated separately.</p>	<p>The Company shall have 9 to 15 Directors, who are elected and appointed by the people with legal capacity at the shareholders' meeting. The total share number of the registered shares of the Company held by all the Directors shall be determined according to the provisions of "Rules and Review Procedures for Director and Supervisor Ownership Ratios at Public Companies".</p> <p>Three Independent Directors shall be elected from the list of people with legal capacity. Directors shall be elected by adopting the candidate nomination system in accordance with Article 192-1 of Company Act. The shareholders shall elect from the nominees listed in the roster of candidates. The election of Independent, Non-Independent Directors should be held together, yet with the elected calculated separately.</p>
Article 33	<p>Should the Company have a profit for the current year, the proportioned 1%-2% of the profit shall be allocated as employees' bonuses, and less than 1% as Directors' remuneration. <u>The bonuses allocation of fundamental employees shall be no less than 30% of total employees.</u> However, if the Company has accumulated losses, the profit shall be prioritized for deficit offset. Employees' bonuses could be in the form of cash or stocks. The actual ratio, amount, form and number of stocks are to be proposed to the Board of Directors, with over two thirds of the Directors in attendance, and passed and approved by most Directors in attendance, prior to reporting to the General Shareholders' Meeting. The same shall be applied to the Directors' remuneration, the ratio and amount will be approved by the Board prior to the General Shareholders' Meeting.</p>	<p>Should the Company have a profit for the current year, the proportioned 1%-2% of the profit shall be allocated as employees' bonuses, and less than 1% as Directors' remuneration. However, if the Company has accumulated losses, the profit shall be prioritized for deficit offset. Employees' bonuses could be in the form of cash or stocks. The actual ratio, amount, form and number of stocks are to be proposed to the Board of Directors, with over two thirds of the Directors in attendance, and passed and approved by most Directors in attendance, prior to reporting to the General Shareholders' Meeting. The same shall be applied to the Directors' remuneration, the ratio and amount will be approved by the Board prior to the General Shareholders' Meeting.</p>
Article 38	<p><u>These Company's Articles of Incorporation, established on November 7, 1975, shall herein take effect after approval by the competent authority, and shall take effect after approval by shareholders' meeting in terms of amendment.</u></p> <p>(Omitted)</p> <p>Thirty-eighth amendment on June 9, 2022</p> <p>Thirty-ninth amendment on May 19, 2025</p>	<p><u>These Articles of Incorporation were established on November 7, 1975.</u></p> <p>(Omitted)</p> <p>Thirty-eighth amendment on June 9, 2022</p> <p>The Articles of Incorporation herein take effect after approval by the competent authority. The same applies for any amendments.</p>

Extemporaneous Motions

General Information

1. Articles of Incorporation of Oriental Union Chemical Corporation

Last updated on June 9, 2022

Chapter 1 General Provisions

- Article 1 The Company is duly incorporated under the provisions of the Company Act of the Republic of China, and shall be called: Oriental Union Chemical Corporation
- Article 2 The Company's businesses are as follows :
1. C801010 Basic Chemicals
 2. C801020 Petrochemical raw material manufacturing
 3. C801060 Synthetic rubber manufacturing
 4. C801100 Synthetic resin and plastic manufacturing
 5. C802060 Animal-use drug manufacturing
 6. CB01010 Mechanical equipment manufacturing
 7. F107070 Wholesale of animal-use drug
 8. F107200 Wholesale of chemical material
 9. F100310 Wholesale of machinery
 10. F401010 International trade
 11. I103060 Management counselling
 12. I501010 Product design
 13. IC01010 Drug examining
 14. JE01010 Rental & leasing
 15. C802041 Medicine manufacturing
 16. C114010 Food additive manufacturing
 17. ZZ99999 Except where permits are required, to run operations not forbidden or limited by laws and regulations
- Article 3 The Company may provide guarantees for third parties in accordance with the Company bylaw of “Procedures for Endorsements and Guarantees”.
- Article 4 Where the Company invests in other companies and becomes a shareholder with limited liability; its total investment may exceed 40% of its paid-up capital regardless of the stipulated Article 13 of the Company Act, only subject to approval of the Board of Directors.
- Article 5 The Company is incorporated in Taipei, the Republic of China; the Board of Directors may by resolution approve the establishment of domestic and international branches where it deems necessary.

Chapter 2 Share Capital

- Article 6 The Company's total capital shall be Ten Billion New Taiwan Dollar (NT\$10,000,000,000) divided into 1,000,000,000 shares of NT\$10 each. The Board of Directors is authorized to issue separately the un-issued shares.
- Out of the above total capital amount, One Hundred Million New Taiwan Dollar (NT\$100,000,000) shall be divided into 10,000,000 shares of NT\$10 each, to be issued as warrants for employees to subscribe.
- Article 7 Shares issued by the Company are not required to be evidenced by share certificates, provided that they shall be recorded at Securities Central Depository Enterprises.
- The Company can issue special stock.

In the event of the Company merging with another company, matters relating to the merger need not be approved by way of a resolution of the special shareholders meeting.

Article 8 Matters relating to the Company's shares shall be dealt with according to the provisions of "Regulations Governing Handling of Stock Affairs by Public Companies" and the relevant laws and regulations.

Article 9 Registration for share transfer shall be closed within 60 days prior to the General Shareholders' Meeting, or within 30 days prior to Extraordinary Shareholders' Meeting or within 5 days prior to the record date on which the Company distributes the dividends or bonuses.

Chapter 3 Shareholders' Meeting

Article 10 The Shareholders' Meetings shall be General or Extraordinary Shareholders' Meetings:

1. The General Shareholders' Meeting shall be held once a year within 6 months of the end of the Company's fiscal year.
2. Extraordinary Shareholders' Meeting shall be convened pursuant to the relevant laws or regulations.

Article 11 The convening of the General Shareholders' Meeting shall be notified 30 days before, and 15 days before the Extraordinary Shareholders' Meeting, to all the shareholders, and announced in accordance with the law. The said notification shall specify the date, place and reasons for calling the shareholders' meeting.

When the shareholders' meeting is held, it may be held by video conference or other methods announced by the central competent authority.

Article 12 Unless otherwise stipulated by the Company Act, a quorum shall be present at the shareholders' meeting with shareholders representing more than half of the shares issued by the Company and resolutions at the said assembly shall be passed if approved by more than half of the shareholders in attendance.

Article 13 Shareholders may by way of power of attorney appoint proxies to attend the said shareholders' meeting. Except for trust enterprises or share registration agencies approved by the securities management authorities, when one shareholder is entrusted by two or more shareholders, the voting right represented by the said shareholder shall not exceed 3% of the voting rights of total shares issued. Where it has so exceeded, the voting right in excess shall not be included.

Unless otherwise stipulated by the Company Act, attendance of shareholder's proxies shall be in accordance with the provisions of "Regulation Governing the Use of Proxies for Attendance of Shareholders' Meeting of Public Companies."

Article 14 Unless otherwise stipulated by the Company Act and the Articles of Incorporation, shareholders' meeting shall be conducted in accordance with the Company's regulations for shareholders' meeting.

Article 15 Minutes and resolutions of shareholders' meeting shall be recorded and signed by or affixed with the seal of the chairman of the meeting. The said minutes and resolutions shall be kept, together with the register of shareholders' attendance and the proxies' powers of attorney, in compliance with the law.

Chapter 4 Board of Directors

Article 16 The Company shall have nine to fifteen Directors, who are elected and appointed by the people with legal capacity at the shareholders' meeting. The total number of the Company's registered shares held by all the Directors shall be determined according

to the provisions of "Rules and Review Procedures for Director and Supervisor Ownership Ratios at Public Companies".

Three Independent Directors shall be elected from the list of people with legal capacity. Directors shall be elected by adopting the candidate nomination system in accordance with Article 192-1 of Company Act. The shareholders shall elect from the nominees listed in the roster of candidates. The election of Independent, Non-Independent Directors should be held together, yet with the elected calculated separately.

Article 16-1 The Audit Committee, which is composed of all the Independent Directors, is installed in accordance with Article 14-4 of Securities and Exchange Act, in charge of the execution of the Company Act, Securities and Exchange Act, and other stipulated functions of Supervisors.

The members of the Audit Committee, its functions and other mandates shall follow the relevant laws and regulations or corporate rules. The organization regulations will be enacted by the Board of Directors.

Article 17 The appointments of Directors are for a period of 3 years. They may be reappointed following their re-election.

Article 18 Functions of Board or Directors are as follows:

1. The business guideline establishment
2. Inspection of the important rules and stipulations
3. Appointment and discharge of the managers
4. Establishment and removal of the branch institute
5. Inspection of the budget and financial statement
6. Proposal submission to the Shareholders' Meeting regarding the change in Articles of Incorporation, capital and the dismissal or merger of the company
7. Proposal submission to the Shareholders' Meeting regarding bonus allocation or rectification to the deficit
8. Inspection of the major procurement of sales agreement besides budget and business plan
9. Inspection of transactions in transference, sale, concession, mortgage, pledge, rental & leasing or other major disposal of assets, including real estate. Product trading under the approved budget and business plan, which in compliance with Article 185 of the Company Act, is not restricted.
10. Inspection of loaning or other capital raising activity
11. Inspection of reinvestment plan
12. Authorization of obtaining or bestowing relevant patent, technical data & knowledge, or trademark
13. Decision on the company's stock dividend policy
14. Other important issues

The preceding item 8 to item 11 may be approved by the Board of Directors with the authorized amount, if needed, and shall be proceeded by the department responsible.

Article 19 Directors are required to select the Chairman among themselves pursuant to Article 208 of Company Act, and the same manner will apply to the Vice Chairman.

Article 20 Chairman is entitled to representing the Company.

Article 21 With the bestowed power, Chairman is fully in charge of all the important issues of the Company, and such power can only be restricted by relevant rules & stipulations, Shareholders' Meeting and Board of Directors' Meeting.

Article 22 Except for the first Directors' Meeting of each term, which will be called by the Director who received a ballot representing the largest number of votes at the election, rest of the following Board of Directors' Meetings will be convened and presided by Chairman. A notification with the date, time and meeting agenda should be issued seven days before the meeting, however, in case of emergency, the meeting may be convened at any time.

A notice to convene a Board Meeting shall be sent to all Directors via postal mail, email or facsimile.

Article 23 The meeting shall be convened and presided by the Chairman of the Board. If the Chairman of the Board is on leave or unable to exert the rights, the Vice-Chairman shall preside instead, pursuant to Article 208 of Company Act. If the Vice-Chairman is on leave or unable to exert the rights, the Chairman shall designate a Director to preside at the meeting. If no Director is designated, then one Board member shall be chosen from among themselves to preside at the meeting.

Article 24 Unless otherwise stipulated by the Company Act, a quorum shall be present at the Board of Directors if it is attended by more than half of the Directors, and a resolution passed if approved by most of the Directors in attendance.

Article 25 In case a Director appoints another Director to attend the meeting on his/her behalf, he/she shall, at each time, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting. Each Director is limited to accepting one appointment to act as a proxy for the other Director.

Article 26 Directors shall exert the rights in accordance with the Board resolutions.

Article 27 (Deleted)

Article 28 (Deleted)

Chapter 5 Managers

Article 29 The Company shall have a President, a few Vice Presidents, Assistant Vice Presidents and Managers. Appointment and discharge shall be approved by the Board of Directors with the attendance of more than half of the Directors and the consent of more than half of the Directors present.

Article 30 President as the Chief Operating Officer shall carry out the tasks assigned by Board of Directors' Meeting. If no such tasks, assignments from the Chairman shall be attended and fulfilled. Managers shall fulfill the tasks assigned by their superiors as of Vice Presidents, President, Chairman or Board of Directors.

Article 31 Chairman shall designate the candidate of an additional post which he deems necessary and assign his/her tasks.

Article 31-1 The Company shall purchase the liability insurance for Directors and important staff according to respective business scopes and liabilities pursuant to laws.

Chapter 6 Financial Statements

Article 32 The Company's fiscal year shall commence on the First of January of each year and end on the Thirty-first of December of the same year. The final accounts are settled at the end of the Company's fiscal year. The Board of Directors shall furnish various documents and statements in accordance with law and submit them to the General Shareholders' Meeting for approval.

The said documents and statements will be inspected by CPAs, whose designation, discharge, and remuneration shall be approved by the Board of Directors.

Article 33 Should the Company have a profit for the current year, the proportioned 1%-2% of the profit shall be allocated as employees' bonuses, and less than 1% as Directors' remuneration. However, if the Company has accumulated losses, the profit shall be prioritized for deficit offset. Employees' bonuses could be in the form of cash or stocks. The actual ratio, amount, form and number of stocks are to be proposed to the Board of Directors, with over two thirds of the Directors in attendance, and passed and approved by most Directors in attendance, prior to reporting to the General Shareholders' Meeting. The same shall be applied to the Directors' remuneration, the ratio and amount will be approved by the Board prior to the General Shareholders' Meeting.

Article 34 Apart from paying all its income taxes in the case where there are profits at the end of the year, the Company shall make up for accumulated losses in past years. Where there is still balance, 10% of the unappropriated earnings from the yearly net income shall be set aside by the Company as legal reserve. In respect to certain business conditions, the Company may retain a portion of the special reserve as required by law coupled with undistributed profits from the previous years and distribute evenly the remainder to the shareholders. When there is a share capital increase, the allocated bonuses of the year for the new shares shall be dealt with according to the resolution of the General Shareholders' Meeting.

The allocation of dividends shall take into consideration the changes in the outlook for the Company's businesses, the lifespan of the various products or services that have an impact on future capital needs and taxation. Dividends shall be distributed at the ratio as set forth in these Articles of Incorporation aimed at maintaining the stability of dividend distributions, improving the financial structure, reinvestments, production expansion or other capital expenditures in which capital is required. The dividends distributed shall be no less than 50% of the balance of net profit after tax and deduction of deficits offset, legal reserve and special reserve, and the cash dividends shall be not less than 10% of the aggregate sum of dividends and bonus distributed in the same year.

Chapter 7 Supplementary Provisions

Article 35 Whichever the party the Company is signing the contract with; the terms of the contract shall be based on fair competitiveness and interests of the Company.

Article 36 The internal organization and operational bylaw of the Company shall be determined by the Board of Directors' Meeting.

Article 37 All matters not covered herein shall be undertaken in accordance with the Company Act of the Republic of China and the other relevant law and regulations.

Article 38 These Articles of Incorporation were established on November 7, 1975.

First amendment on January 26, 1976

Second amendment on June 25, 1976

Third amendment on September 28, 1978

Fourth amendment on May 19, 1979

Fifth amendment on June 26, 1980

Sixth amendment on July 22, 1982

Seventh amendment on December 6, 1982

Eighth amendment on July 11, 1984

Ninth amendment on May 22, 1985

Tenth amendment on June 25, 1986

Eleventh amendment on March 19, 1987
Twelfth amendment on May 2, 1987
Thirteenth amendment on May 18, 1988
Fourteenth amendment on May 11, 1989
Fifteenth amendment on March 22, 1990
Sixteenth amendment on May 30, 1991
Seventeenth amendment on April 17, 1992
Eighteenth amendment on May 27, 1993
Nineteenth amendment on May 23, 1994
Twentieth amendment on April 19, 1995
Twenty-first amendment on May 8, 1996
Twenty-second amendment on May 16, 1997
Twenty-third amendment on May 7, 1998
Twenty-fourth amendment on April 30, 1999
Twenty-fifth amendment on March 10, 2000
Twenty-sixth amendment on May 3, 2001
Twenty-seventh amendment on May 24, 2002
Twenty-eighth amendment on May 13, 2004
Twenty-ninth amendment on May 30, 2006
Thirtieth amendment on June 3, 2009
Thirty-first amendment on June 3, 2011
Thirty-second amendment on June 5, 2012
Thirty-third amendment on June 6, 2014
Thirty-fourth amendment on June 7, 2016
Thirty-fifth amendment on June 8, 2017
Thirty-sixth amendment on June 8, 2018
Thirty-seventh amendment on June 16, 2020
Thirty-eighth amendment on June 9, 2022

The Articles of Incorporation herein take effect after approval by the competent authority. The same applies for any amendments.

2. Meeting Rules of Shareholders for Oriental Union Chemical Corporation

Last updated by June 9, 2022

Article 1 The shareholders meeting of the Company shall be held according to the rules herein.

Article 2 The location for the shareholders' meeting shall be the Company's place of business or a place convenient for attendance by shareholders (or by proxies) that is suitable for holding of this meeting. The meeting shall be held between 9:00AM and 3:00PM.

The Company's changes to the method of convening the shareholders meeting shall be subject to the resolution of the Board of Directors, which should be held no later than the dispatch of the stockholders' meeting notice.

The meeting notice of the shareholders shall state the registration time, location and other important information. The aforesaid registration time shall start at least thirty minutes before the beginning of the meeting. The registration desk shall be featured with clear instructions and competent staff. For the video conference of the shareholders meeting, registration should be conducted on the video conference platform for the meeting 30 minutes before the meeting starts. Stockholders who have completed the registration shall be deemed to have attended the shareholders meeting in person.

When convening the shareholders meeting, the Company shall incorporate electronic vote casting as one of the alternative ways to cast the vote, and the procedure of electronic casting shall be written in the notice of shareholders meeting. Shareholders who vote via electronic casting are deemed as presented in person. If a shareholder does not revoke his intention to exercise his voting rights, but attends the shareholders meeting on the spot or registers to participate via video conference on the day of the shareholders meeting, he or she may not exercise the voting rights on the original proposals, or propose or exercise the voting rights on amendment to the original proposal, except to propose an interim motion and exercise the voting right.

Shareholders (or by proxies) attending the Meeting shall have an attendance card, sign-in card or other certificate of attendance issued by the Company. The proxy solicitor shall provide ID documents for verification purposes. The shareholders (or by proxies) when attending the meeting shall hand in the signed attendance form.

Attendance of the shareholders' meeting shall be calculated based on shares. The number of attended shares is calculated based on the sign-in card and the number of shares registered on the video conference platform, plus the number of voting shares via electronic casting.

The Company may appoint lawyers, accountants or related personnel to attend the shareholders' meeting.

The personnel in charge of handling the affairs of the meeting shall wear identification badge or armband.

For a shareholders meeting convened by the Board of Directors, the Chairman of the Board of Directors shall preside at the meeting. If the Board Chairman is on leave or unable to exert the rights, the Vice-Chairman of the Board shall preside instead. If the position of Vice-Chairman is vacant or the Vice-Chairman is on leave or unable to exert the rights, the Board Chairman shall designate a Director to preside at the meeting. If no Director is so designated, the Chairman of the meeting shall be elected by the Board of Directors from among themselves. If a Director or a representative of the Institutional Director presides at the meeting, he/she shall be appointed at least 6 months and familiar with the financial performance and operations of the Company. For a shareholders' meeting convened by any other person having the convening right, he/she shall act as the

chairman of that meeting; if there are two or more conveners, the chairman of the meeting shall be elected from among themselves.

The complete processes of the meeting shall be recorded by voice and video recorders and all the records shall be kept by the Company for a minimum period of at least one year. If a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the video and audio records shall be retained until the conclusion of the litigation. If the shareholders meeting is held by video conference, the Company shall make continuous and uninterrupted audio and video recordings of the entire video conference and properly keep the relevant materials and audio and video recordings during the period of existence.

Article 3 The Chairperson shall announce the start of the meeting when the attending shareholders (or proxies) represent more than half of the total shares issued in public. The Chairperson may announce postponement of the meeting if the legal quorum is not present after the designated meeting time. Such a postponement is limited to two times and the aggregated postponed time shall not exceed one hour. If quorum is still not present after two postponements but the attending shareholders (or proxies) represent more than one third of the total share issued in public, tentative resolution/s may be passed with respect to ordinary resolution/s by a majority of those present.

After proceeding with the aforesaid tentative resolutions, the Chairperson may make the tentative resolutions for re-voting over the meeting when the shares represented by the attending shareholders (or proxies) reach the legal quorum.

Article 4 If the shareholders meeting is convened by the Board of Directors, the agenda shall be designated by the Board. The meeting shall proceed in accordance with the designated agenda and shall not be amended without resolutions.

If the meeting is convened by a person with the convening right, other than the Board of Directors, the provision set out in the preceding paragraph shall apply mutatis mutandis.

Except with shareholders' resolution, the Chairperson shall not declare adjournment of the meeting before the first two agendas (including extemporary motions) are concluded. During the meeting, if the Chairperson declares adjournment of the meeting in violation of the preceding rule, a new Chairperson may be elected by a resolution passed by majority of the attending shareholders to continue the meeting.

When the meeting is adjourned by resolution, the shareholders shall not elect another Chairperson to continue the meeting at the same location or another venue.

Article 5 The shareholders (or proxies) shall complete statement slip setting out the number of his/her attendance card, name and statement brief before speaking, and the Chairperson will designate the order in which each person is to speak during the session.

No statement will be considered to have been made if the shareholders (or proxies) merely complete the statement without speaking at the meeting. If there are any discrepancies between the content of the statement slip and the speech made, the statement to be adopted shall be the statement confirmed.

Article 6 Any proposal to be submitted shall be in written form. Except for the proposals set out on the agenda, any proposal by the shareholders (or proxies) to amend, substitute or initiate extemporary motions with respect to the original proposal shall be seconded by other shareholders (or proxies). The same rule shall apply to any proposal to amend the agenda and motion to adjourn the meeting. The shares represented by the proponents and the seconders shall reach 100,000.

- Article 7 The explanation of the proposal shall be limited to 5 minutes. The statement of inquiry and reply shall be limited to 3 minutes per person. The time may be extended by 3 minutes with the Chairperson's permission.
- The Chairperson may restrain shareholders (or proxies) from speaking if the shareholders (or proxies) speak overtime, speaking beyond the allowed frequency or content of the speech is beyond the scope of the proposal.
- When a shareholder (or proxy) is speaking, other shareholders (or proxies) shall not interrupt without consent of the Chairperson and the speaking shareholders (or proxy). Any disobedient of the preceding rule shall be prohibited by the Chairperson. Article 15 of this meeting rule shall apply if the disobedient does not follow the Chairperson's instructions.
- Article 8 For the same proposal, each person shall not speak more than 2 times.
- When a juristic person is a shareholder, only one representative shall be appointed to attend the meeting. If more than two representatives were appointed to attend the meeting, only one representative is allowed to speak.
- Article 8-1 If the shareholders meeting is held by video conference, the shareholders participating by video conference may raise questions in text form on the video conference platform, with limits of two times for each proposal and text length 200 words, after the Chairperson announces the meeting and before the meeting is adjourned. The provisions of Articles 5, 7 and 8 are not applicable.
- Article 9 After speaking by the attending shareholders (or proxy), the Chairperson may reply in person or assign the relevant officer to reply. Over the proposal discussion, the Chairperson may conclude the discussion in a timely manner and announce where necessary discussion is closed.
- Article 10 For the proposal in which discussion is concluded or closed, the Chairperson shall submit it for voting.
- No discussion or voting shall proceed for matters unrelated to the proposal.
- The personnel responsible for overseeing and counting the votes for resolutions shall be appointed by the Chairperson. The person responsible for the vote overseeing shall be of shareholder status.
- Article 11 If the shareholders meeting is held by video conference, the shareholders participating via video shall conduct voting on various resolutions and election proposals through the video conference platform after the Chairperson announces the meeting and shall complete the voting before the Chairperson announces the close of voting. If not, it shall be deemed a waiver.
- Regarding the resolution of proposals, unless otherwise provided for in the relevant law and regulation or Company's Articles of Incorporation, resolution shall be passed by most of the voting rights represented by the shareholders (or proxies) attending the meeting.
- All the proposals for resolutions or election shall be conducted via one-off voting. After the Chairperson announces the closure of voting, the one-off votes shall be counted.
- If there are amendments or substitute proposals for the same proposal, the sequence of which to be put to vote shall be decided by the Chairperson. If one of the two proposals has been approved, the other shall be deemed rejected without the requirement to put it to vote.
- The results of voting and election shall be announced after the vote calculation on the spot and kept for records.

If the shareholders meeting is held by video conference, the Company shall immediately disclose the voting results of various proposals and election on the video conference platform in accordance with the regulations and remain disclosed for at least 15 minutes after the Chairperson announces adjournment of the meeting.

Article 12 During the meeting, the Chairperson may at his discretion declare the time for break.

Article 13 If the shareholders meeting is held by video conference, in addition to the announcement of the meeting, the Chairperson may announce the continuation or resumption of the meeting according to the law and regulations, as well as announcement of the date of the postponed or resumed meeting within five days when the video conference platform or the participation via video is blocked for more than 30 minutes due to natural disasters, incidents or other force majeure events.

Should the force majeure be encountered during the meeting, the meeting shall be adjourned under ruling of the Chairman, who will also announce according to the circumstances when the meeting shall resume.

Article 14 The Chairperson may maintain the meeting order by instructing the security guards. The security guards should wear the armband for identification when helping to maintain the venue order.

Article 15 The shareholders (or proxies) shall obey the instructions of the Chairperson and security guards in terms of maintaining the order. The Chairperson or security guards may exclude the persons disturbing the shareholders meeting from the meeting.

Article 16 For matters not governed by the rules specified herein shall be governed according to the Company Act, Stock Exchange Law and the other related laws and regulations.

Article 17 The rules herein take effect after approval at the shareholders' meeting, the same applies for any amendments.

Appendix

1. Current Shareholding of Directors

Book closure date: 21 March 2025

Title	Name of persons or companies	Representative	Shareholdings	Ratio of shareholding
Directors	Douglas T. Hsu	—	1,664,781	0.19%
	Far Eastern New Century Corporation	Johnny Shih	81,217,005	9.16%
		Humphrey Cheng		
		Kao Shan Wu		
	Yue Ming Trading Co., Ltd.	Justin Tsai	440,000	0.05%
	Ta Chu Chemical Fiber Co., Ltd.	Eric Chueh	1,000,000	0.11%
	Yu Li Investment Corporation	Bing Shen	4,861,781	0.55%
		Alan Tsai		
Independent Directors	Walt Cheng		—	—
	C.T. Chan		—	—
	Ping Lih		—	—
The combined shareholding of all Directors on the book closure date			89,183,692	10.06%
The minimum required combined shareholding of all Directors by law			28,342,496	3.20%

2. Impact of the Stock Dividend Distribution on Operating Results, EPS and Shareholders' Return on Investment

Not applicable due to no dividend allocation this year.



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