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# **Champion Building Materials Co. Ltd.**

**Handbook for the 2026 Annual Meeting of Shareholders**



<http://group.champion.com.tw/>

June 17, 2026

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# **Champion Building Materials Co. Ltd.**

## **2026 Annual General Shareholders' Meeting**

### **Meeting Procedure**

1. Announcing Meeting in Session
2. Chairman's Address
3. Reported Matters
4. Acknowledged Matters
5. Matters for Discussion
6. Questions and Motions
7. Adjournment

**Champion Building Materials Co. Ltd.**  
**2026 Annual General Shareholders' Meeting Agenda**

1. Time: June 17<sup>th</sup>, 2026 (Wednesday) at 09:00 AM
2. Shareholders meeting will be held by means of :Physical shareholders meeting
3. Location: No. 200-7, Zhuhaocuo, Neighborhood 13, Dapu Vil., Zhunan Township, Miaoli County
4. Chairman's Address
5. Reported Matters :
  - (1) Business Report for the year 2025.
  - (2) Audit Committee's Review Report.
  - (3) Status of endorsement and guarantee arrangements.
  - (4) Status of loans of funds to others.
  - (5) Implementation status of related-party transactions for the year 2025.
  - (6) Distribution of employees' and directors' remuneration for the year 2025..
  - (7) Payment of directors' remuneration for the year 2025.
6. Acknowledged Matters :
  - (1) To Ratify the Company's 2025 Business Report and Financial Statements.
  - (2) To Ratify the Company's Profit and Loss Appropriation in 2025.
7. Matters for Other Discussion : Amendment to the " Rules of Procedure for Shareholders' Meeting".
8. Questions and Motions
9. Adjournment

## I. Reported Matters

### Proposal 1

Motion: 2025 Business Report of the Company. For your approval.

Explanation: Please refer to Attachment 1 on Page 7.

### Proposal 2

Motion: Audit Committee's Review Report. For your approval.

Explanation: Please refer to Attachment 2 on Page 9.

### Proposal 3

Motion: Status of endorsement and guarantee arrangements. For your approval.

Explanation: Conducted following Article 5 of the Company's Operational Procedure for Endorsement and Guarantee. Please refer to Attachment 3 on Page 10.

### Proposal 4

Motion: Status of loans of funds to others. For your approval.

Explanation: Conducted following the Company's "Operational Procedure for Loaning of Funds to Others". Please refer to Attachment 4 on Page 11.

### Proposal 5

Motion: Implementation status of related-party transactions for the year 2025. For your approval.

Explanation: Conducted following the Company's "Operational Procedure for Loaning of Funds to Others". Please refer to Attachment 5 on Page 12.

### Proposal 6

Motion: Distribution of employees' and directors' remuneration for the year 2025. For your approval.

Explanation: 1. The profit before tax and before the deduction of remunerations of employees and Directors in 2025 was NT\$133,594,615, and the Company has no cumulated loss. According to Article 19 of the Articles of Association, the Company intends to appropriate 3% and 1.5% of the profit before tax and before the deduction of remunerations of employees and Directors in 2024 as the remuneration of employees and the remuneration of Directors, respectively, which amounted to NT\$4,007,838 and NT\$2,003,920; the sum of remunerations of employees and Directors are NT\$6,011,758 to be fully distributed in cash. The remuneration of employees and the remuneration of Directors have no difference with the initially provided amounts.

2. This proposal has been reviewed and approved by the 7<sup>th</sup> remuneration committee of the 6<sup>th</sup> session and the 3<sup>rd</sup> Board of Directors meeting in 2026.

## Proposal 7

Motion: Payment of directors' remuneration for the year 2025. For your approval.

Explanation: 1. Policies, systems, standards, and structures for the remuneration of the Company's general and independent directors, and the correlation between the amount of remuneration paid and factors such as responsibilities, risks, and time commitment:

(1) In accordance with the Company's Articles of Incorporation, the remuneration of the Chairman and directors is authorized to be determined by the Board of Directors based on their degree of participation in the Company's operations, the value of their contributions, and with reference to domestic and international industry standards.

(2) The Articles of Incorporation also stipulate that no more than 1.5% of the annual profit shall be allocated as director remuneration. However, if the Company still has accumulated losses, an amount to offset such losses shall be reserved in advance. According to the Charter of the Remuneration Committee, the payment of director remuneration is handled in accordance with the "Measures for the Remuneration of Directors, Managers, and Functional Committee Members." In principle, distribution recommendations are formulated based on scores related to participation in the Company's daily management, concurrent positions on other committees, and Board meeting attendance rates. These recommendations are then resolved by the Board of Directors and reported at the Shareholders' Meeting.

2. Please refer to Attachment 6 on page 21 of this booklet for details of individual directors' remuneration.

## II. Acknowledged Matters

### Proposal 1 (Proposed by the Board of Directors)

Motion: To ratify the Company's 2025 Business Report and Financial Statements.

Explanation: 1. The Company's 2025 Business Report, Parent-Company Only Financial Statements and Consolidated Financial Statements have been reviewed and adopted by passage by the Audit Committee and passed by the Board of Directors by resolution.

2. Please refer to Attachment 7 on Page 23.

Resolution:

Proposal 2 (Proposed by the Board of Directors)

Motion: To ratify the Company's 2025 Profit and Loss Appropriation.

Explanation: 1.The Company's 2025 Earnings Distribution Table is as follows:.

Champion Building Materials Co. Ltd.  
Earnings Distribution Table  
for the Year 2025

Amount: NTD

<b>Beginning Retained Earnings</b>	<b>26,679,163</b>
Add: Net profit after tax	112,213,734
Gains (losses) on remeasurements of defined benefit plan	(2,152,196)
Less: 10% Legal Reserve	(11,006,154)
<b>Distributable Net Profit</b>	<b>125,734,547</b>
Distribution Items:	
Shareholders' Bonus-Cash	(57,977,531)
Shareholders' Bonus-Share	0
<b>Unappropriated Retained Earnings</b>	<b>67,757,016</b>

Chairman: LIN, JUNG-TE Manager: LIN, YOU-YU Accounting Manager: LIAO,HUI-YI

2. According to Article 240, paragraph 5 of the Company Act and Article 19-1 of the Company's Articles of Incorporation, authorized Board of Directors shall be approved by a resolution adopted by a majority of the shareholders present who represent two-thirds or more of the total number of its outstanding shares of the Company, have the surplus profit distributable as dividends and bonuses in whole or in part distributed in the form of cash to be issued by the Company for such purpose, and it shall be reported to a shareholders' meeting.
3. The Company has a total of 390,403,870 issued common shares. After deducting 3,887,000 treasury shares, the number of distributable common shares is 386,516,870. The Board of Directors has resolved to distribute a cash dividend of NT\$0.15 per share, totaling NT\$57,977,531. It is proposed that the Shareholders' Meeting authorize the Chairman to determine the ex-dividend record date and manage the distribution process.
4. Subsequently, when the payout ratio alters as the number of outstanding shares is affected due to the repurchase of the Company's shares or other factors, the Company intends to propose to the shareholders' meeting to authorize the Chairman to manage relevant alteration matters.
5. The calculation for the cash dividend distribution is rounded to NT\$1, and the sum of fractional amounts less than NT\$1 is transferred to other revenue of the Company.

6. This proposal has been reviewed and approved by the 14<sup>th</sup> audit committee of the 3<sup>rd</sup> session and the 3<sup>rd</sup> Board of Directors meeting in 2026.

Resolution:

### **III. Matters for Other Discussion**

Proposal 1 (Proposed by the Board of Directors)

Motion: Amendment to the " Rules of Procedure for Shareholders' Meeting".

Explanation: 1. To comply with regulatory amendments, the Company proposes to amend certain provisions of its "Rules of Procedure for Shareholders' Meetings."  
2. This proposal has been reviewed and approved by the 13<sup>th</sup> audit committee of the 3<sup>rd</sup> session and the 2<sup>nd</sup> Board of Directors meeting in 2026.  
3. Please refer to Attachment 8 on Page 45.

Resolution:

### **IV. Questions and Motions**

## 2025 Business Report

(1) Implementation Results of 2025 Business Plans

In recent years, Taiwan’s domestic real estate market has been affected by the government’s property credit control measures and a shift in market demand toward smaller residential units and lower-priced projects. In addition, uncertainty surrounding U.S. tariff policies has further weakened market confidence. As a result, new construction projects and pre-sale launches in Taiwan declined significantly during the second half of 2025, with certain developers postponing project launches or shifting their focus to the sale of completed properties. In response to evolving market conditions, the Company continues to closely monitor market developments to ensure steady operational progress. While focusing on the manufacturing and sale of building materials, the Company is also strengthening its presence in market segments such as social housing, and renovation of aging buildings. Following the formal implementation of ESG-related initiatives and the carbon fee mechanism in 2025, together with rising production costs resulting from higher energy prices, the Company will continue to enhance product competitiveness, strengthen product design and development capabilities, and improve manufacturing efficiency to mitigate the impact of increasing cost pressures. Through these efforts, the Company aims to enhance operating revenue and profitability and achieve sustainable business growth.

The Company’s operating revenue for 2025 was NT\$2,918,478 thousand, representing a 7.37% decrease compared to 2024. Gross profit was NT\$676,176 thousand, a decrease of 19.40% compared to 2024. The gross margin for 2025 was 23.17%, with a net income after tax of NT\$112,213 thousand and a net profit margin of 3.84%. A comparison with 2024 is as follows:

Unit: NTD Thousands

Items	2025	2024	Amount Gained (Lost)	Gain (Loss)%
Operating Revenue	2,918,478	3,150,535	(232,057)	(7.37)
Cost of Goods Sold	2,242,302	2,311,627	(69,325)	(3.00)
Gross Profit	676,176	838,908	(162,732)	(19.40)
Net Profit	112,213	119,339	(7,126)	(5.97)

(2) Budget Execution: the Company is exempted from preparation of 2025 financial forecast in accordance with “Regulations Governing the Publication of Financial Forecasts of Public Companies”.

(3) Financial Income/Expense and Profitability Analysis:

The Company and its Subsidiaries' Consolidated Financial Income/Expense and Profitability Analyses for the most recent two years are compiled as follows:

Items		2025	2024	
Financial Income /Expense (Thousand)	Net Cash In Flow from Operating Activities	238,742	736,246	
	Net Cash In (Out) Flow from Investment Activities	(451,699)	(439,494)	
	Net Cash In (Out) Flow from Fundraising Activities	(90,051)	36,200	
Profitability (%)	Return on Assets (%)	1.60	1.92	
	Return on Equity (%)	2.07	2.17	
	Proportion to Paid-In Capital (%)	Operating Income	3.93	6.93
		Earnings before taxes	3.27	4.61
	Net Margin (%)	3.84	3.79	
	Earnings Per Share (NTD)	0.29	0.31	

The Company's financial performance and profitability in 2025 declined compared to 2024. This was primarily due to a decrease in sales revenue, rising production costs (such as energy costs for natural gas), and the implementation of the carbon fee system.

#### (4) R&D Status

The Company is dedicated to sustainable development and the cultivation of superior R&D and manufacturing capabilities to attract top-tier professional talent. Core to our long-term competitive advantage is our focus on new product development, automation, and energy efficiency.

In alignment with our ESG (Environmental, Social, and Governance) commitments, we integrate energy-saving, carbon reduction, and waste recycling into our ceramic tile manufacturing to develop eco-friendly green building materials. Furthermore, we are actively implementing digital 3D micro-molding and advanced digital printing technologies to create differentiated products. Our high-value product portfolio includes:

- Digital Slate Tiles: 30×60cm, 60×60cm, 45×90cm, 90×90cm, 60×120cm, and 90×180cm.
- Digital Wood-grain Tiles: 15×75cm series.
- Energy-efficient Porcelain Pavers: 60×120×2cm and 60×60×2cm new series.
- Champion & Marcobelli Marble Series: 30×60cm, 60×60cm, 80×80cm, 90×90cm, and 90×180cm.

These innovations significantly enhance product added value and strengthen our overall market competitiveness.

Chairman: LIN, JUNG-TE    Manager: LIN, YOU-YU    Accounting Manager: LIAO, HUI-YI

## Attachment 2

### Audit Committee Review Report

The Board of Directors has compiled and submitted the Company's 2025 Consolidated Financial Statements audited and attested by CPAs Chung-Che Chen and Shin-Chin Chih of KPMG Taiwan, with audit report issued; the aforesaid Business Report, Consolidated Financial Statements and Profit and Loss Appropriation have been reviewed and determined to be correct and accurate by the Audit Committee. In accordance with Article 14-4 of Securities and Exchange Act and Article 219 of the Company Act, I hereby submit this report.

To

Shareholders' Meeting of Champion Building Materials Co. Ltd.

Audit Committee

Convener: Wu, Heng-Yi

March 27, 2026

## Champion Building Materials Co. Ltd.

Conduct of Matters for Endorsements and Guarantees in 2025:

Unit: NTD Thousands

Endorsee/Guaranteed Party		Limit of Endorsement / Guarantee to a Single Business	Balance of Maximal Endorsement / Guarantee in Current Period	Ending Endorsement and Guarantee Balance	Actual Amount Used	Amount of Endorsement / Guarantee made in Properties	Proportion of Accumulated Endorsement/ Guarantee Amount to the Net Value in Most Recent Financial Statement	Maximal Limit of Endorsement / Guarantee
Company Name	Relations (Note 2)							
Guan Zhong Trading Co., Ltd.	1	1,579,918	77,153	47,153	6,103	-	0.90%	2,633,196
Champion Highwealth Co., Ltd.	1	1,579,918	62,746	62,746	21,232	-	1.19%	2,633,196
Guangdoli Co., Ltd.	3	1,579,918	25,966	-	-	-	-%	2,633,196
Gaoyuwang Co., Ltd	3	1,579,918	5,900	-	-	-	-%	2,633,196

Note 1: The maximum of endorsement/guarantee of the Company is 50% of the net worth; the endorsement or guarantee to a single business by the Company is 30% of the net worth.

Note 2: The relation between Endorser/Guarantor and the Endorsee/Guaranteed Party are as follows:

1. A company in which the Company directly and indirectly holds more than 50 percent of the voting shares.
2. A company that directly and indirectly holds more than 50 percent of the voting shares in the Company.
3. A company with which it does business.

## Champion Building Materials Co. Ltd.

Conduct of Loaning of Funds to Others in 2025 is as follows:

Unit: NTD Thousands

Counterparty of Loan	Account of Transaction	Related Parties (Y/N)	Maximal Amount in this Period	Ending Balance	Actual Amount Used	Interest Rate Interval	Property of Loan	Amount of Transaction	Reason for Necessity of a Short-Term Financing Facility	Amount of Allowance for Bad Debts	Collateral		Limit in Amount of Loans to a Single Borrower	Limit on Aggregate Amount on Loan of Funds
											Name	Value		
Sinyih Ceramic (China) Co., Ltd.	Other Receivables	Yes	629,580	629,580	359,760	4.00%	Where a short-term financing facility is necessary	-	Business Turnover	-	-	-	1,053,278	2,106,557
Champion Highwealth Co., Ltd	Other Receivables	Yes	100,000	50,000	25,000	3.10%	Where a short-term financing facility is necessary	-	Business Turnover	-	-	-	1,053,278	2,106,557
Guan Zhong Trading Co., Ltd.	Other Receivables	Yes	30,000	-	-	3.10%	Where a short-term financing facility is necessary	-	Business Turnover	-	-	-	1,053,278	2,106,557

Note: The aggregate amount of the Company's loan of funds shall not be more than 40% of the net value; the loan of funds to an individual counterparty shall not be more than 20% of the net value.

## Execution of Related Party Transactions in 2025.

Implemented in accordance with the “Regulations Governing Financial and Business Operations Between Related Parties.”

### 1 、 Major transactions with related parties:

(1.1) Sales to related parties are as follows: Unit: NTD Thousands

Company Name	The Company	The Group
Guangdoli Co., Ltd.	716,449	716,449
Gaoyuwang Co.,Ltd.	375,756	375,757
Deebao Co., Ltd.	203,835	203,835
Taxi Co., Ltd.	67,306	76,797
Weixun Co., Ltd.	139,690	139,690
Fanyang Co., Ltd.	86,463	89,636
Fengyuwang Co., Ltd.	282,996	286,382
Yuanhe Building Materials Co., Ltd.	147,095	147,836
Gaoyuwang Co.,Ltd.	311,077	312,408
Gaoqi Ceramics Co., Ltd.	-	26,332
Golden Diamond Building Materials Co., Ltd.	57,223	109,181
<b>Total</b>	<b>2,387,890</b>	<b>2,484,303</b>

(1.2) Purchases from related parties are as follows: The Group’s purchases from Seagull Champion amounted to NT\$326 thousand.

(1.3) Accounts receivable from related parties are as follows:

(1.3.1) Details of accounts receivable from related parties of the Company are as

follows:

Unit: NTD Thousands

Company Name	Notes Receivable	Accounts Receivable	Other Receivables	Total
Guangdoli Co., Ltd.	143,327	23,526	520	167,373
Gaoyuwang Co.,Ltd.	78,696	11,025	381	90,102
Deebao Co., Ltd.	39,053	14,854	468	54,375
Taxi Co., Ltd.	10,821	3,366	203	14,390
Weixun Co., Ltd.	21,591	6,542	212	28,345
Fanyang Co., Ltd.	14,966	3,575	146	18,687
Fengyuwang Co., Ltd.	40,002	13,369	164	53,535

Company Name	Notes Receivable	Accounts Receivable	Other Receivables	Total
Yuanhe Building Materials Co., Ltd.	18,732	4,490	179	23,401
Gaoyuwang Co.,Ltd.	55,881	11,785	344	68,010
Golden Diamond Building Materials Co., Ltd.	5,034	2,972	6	8,012
Subsidiary -Sinyih Ceramic (China) Co., Ltd.	-	-	368,030	368,030
Subsidiary - Champion Highwealth Co., Ltd	-	-	25,299	25,299
<b>Total</b>	<b>428,103</b>	<b>95,504</b>	<b>395,952</b>	<b>919,559</b>

(1.3.2) Details of accounts receivable from related parties of the Group are as

follows:

Unit: NTD Thousands

Company Name	Notes Receivable	Accounts Receivable	Other Receivables	Total
Guangdoli Co., Ltd.	143,327	23,526	520	167,373
Gaoyuwang Co.,Ltd.	78,696	11,025	381	90,102
Deebao Co., Ltd.	39,053	14,854	468	54,375
Taxi Co., Ltd.	11,643	5,254	203	17,100
Weixun Co., Ltd.	21,592	6,542	212	28,346
Fanyang Co., Ltd.	15,307	4,247	146	19,700
Fengyuwang Co., Ltd.	40,028	13,449	164	53,641
Yuanhe Building Materials Co., Ltd.	18,768	4,522	179	23,469
Gaoyuwang Co.,Ltd.	55,892	12,049	347	68,288
Gaoqi Ceramics Co., Ltd.	3,001	2,177	-	5,178
Golden Diamond Building Materials Co., Ltd.	23,989	15,230	6	39,225
Seagull Champion Ltd.	-	8,431	29,233	37,664
<b>Total</b>	<b>451,296</b>	<b>121,306</b>	<b>31,859</b>	<b>604,461</b>

(1.4) Accounts payable to related parties:

(1.4.1) Details of accounts payable to related parties of the Company are as follows:

Unit: NTD Thousands

Company Name	Notes Payable	Accounts Payable	Other Payables	Total
Guangdoli Co., Ltd.	14	-	95	109
Gaoyuwang Co.,Ltd.	-	-	91	91
Deebao Co., Ltd.	1,062	-	201	1,263
Taxi Co., Ltd.	-	-	91	91
Weixun Co., Ltd.	1,804	-	470	2,274

Company Name	Notes Payable	Accounts Payable	Other Payables	Total
Fanyang Co., Ltd.	1,362	-	190	1,552
Fengyuwang Co., Ltd.	-	-	91	91
Yuanhe Building Materials Co., Ltd.	-	-	183	183
Gaoyuwang Co.,Ltd.	-	-	183	183
Subsidiary - Guan Zhong Trading Co, Ltd.	-	-	144	144
<b>Total</b>	<b>4,242</b>	<b>-</b>	<b>1,739</b>	<b>5,981</b>

(1.4.2) Details of accounts payable to related parties of the Group are as follows:

Unit: NTD Thousands

Company Name	Notes Payable	Accounts Payable	Other Payables	Total
Guangdoli Co., Ltd.	92	-	111	203
Gaoyuwang Co.,Ltd.	-	-	91	91
Deebao Co., Ltd.	1,062	-	201	1,263
Taxi Co., Ltd.	36	-	420	456
Weixun Co., Ltd.	1,084	-	470	2,274
Fanyang Co., Ltd.	1,369	-	236	1,605
Fengyuwang Co., Ltd.	-	-	131	131
Yuanhe Building Materials Co., Ltd.	-	-	186	186
Gaoyuwang Co.,Ltd.	-	-	252	252
Gaoqi Ceramics Co., Ltd.	33	-	-	33
Seagull Champion Ltd.	-	-	2,127	2,127
<b>Total</b>	<b>4,396</b>	<b>-</b>	<b>4,225</b>	<b>8,621</b>

## 2、Expenses and Charges Arising from Sales Activities

(2.1) Transportation expenses: Transportation expenses for the delivery of goods are recognized as selling expenses. Transportation charges are determined with reference to the rates of logistics companies engaged in each region, which are based on transportation distance and load weight.

The amounts incurred in 2025 are as follows:

Unit: NTD Thousands

Company Name	The Company	The Group
Guangdoli Co., Ltd.	39	39
Gaoyuwang Co.,Ltd.	(3)	(3)
Deebao Co., Ltd.	1,976	(1,976)
Taxi Co., Ltd.	(56)	190

Company Name	The Company	The Group
Weixun Co., Ltd.	3,228	3,228
Fanyang Co., Ltd.	2,130	2,312
Gaoyuwang Co.,Ltd.	-	(3)
<b>Total</b>	<b>7,314</b>	<b>7,739</b>

(2.2) Sample expenses: Recognized as selling expenses. Samples for new products are distributed based on established criteria (samples are allocated to retail stores based on the number of contracted building material dealers for the year; samples for construction sites are allocated based on the proportion of regional sales targets). In addition, all obsolete inventory (defined as inventory batches with remaining quantities below the specified threshold) is fully cleared and provided to distributors free of charge.

The amounts incurred in 2025 are as follows:

Unit: NTD Thousands

Company Name	The Company	The Group
Guangdoli Co., Ltd.	2,341	2,341
Gaoyuwang Co.,Ltd.	2,226	2,226
Deebao Co., Ltd.	1,489	1,489
Taxi Co., Ltd.	22	209
Weixun Co., Ltd.	919	919
Fanyang Co., Ltd.	564	631
Fengyuwang Co., Ltd.	1,503	1,566
Yuanhe Building Materials Co., Ltd.	1,230	1,297
Gaoyuwang Co.,Ltd.	2,024	2,101
Gaoqi Ceramics Co., Ltd.	-	303
Golden Diamond Building Materials Co., Ltd.	10	10
<b>Total</b>	<b>12,328</b>	<b>13,092</b>

(2.3) Warehouse rental income charged to dealers for storage of goods: Recognized as other income. If goods produced in accordance with distributors' orders are not shipped by the scheduled delivery date and remain in storage for more than 30 days, storage fees will be charged. The fee schedule is as follows:

- Days 31–90 overdue: NT\$1.69 per m<sup>2</sup>
- Days 91–180 overdue: NT\$3.38 per m<sup>2</sup>
- Over 180 days overdue: NT\$6.76 per m<sup>2</sup>

The amounts incurred in 2025 are as follows:

Unit: NTD Thousands

Company Name	The Company	The Group
Guangdoli Co., Ltd.	1,731	1,731
Gaoyuwang Co.,Ltd.	661	661
Deebao Co., Ltd.	189	189
Taxi Co., Ltd.	73	73
Weixun Co., Ltd.	138	138
Fanyang Co., Ltd.	98	98
Fengyuwang Co., Ltd.	156	156
Yuanhe Building Materials Co., Ltd.	2	2
Gaoyuwang Co.,Ltd.	163	163
<b>Total</b>	<b>3,211</b>	<b>3,211</b>

(2.4) Incentives and penalties: Incentives and penalties are determined based on distributor agreements and incentive programs, reflecting actual sales performance of distributors.

The amounts incurred in 2025 are as follows:

Unit: NTD Thousands

Company Name	(Bonus) Fine		Fine income	
	The Company	The Group	The Company	The Group
Guangdoli Co., Ltd.	(92)	325	788	788
Gaoyuwang Co.,Ltd.	231	231	794	794
Deebao Co., Ltd.	(270)	(334)	985	985
Taxi Co., Ltd.	(33)	587	476	476
Weixun Co., Ltd.	(261)	(372)	290	290
Fanyang Co., Ltd.	(59)	276	316	392
Fengyuwang Co., Ltd.	(481)	(417)	132	132
Yuanhe Building Materials Co., Ltd.	(159)	(111)	713	808
Gaoyuwang Co.,Ltd.	632	990	1,292	1,388
<b>Total</b>	<b>(492)</b>	<b>1,175</b>	<b>5,786</b>	<b>6,053</b>

(2.5) Lease arrangements with related parties for operational needs:

Lessor	Lessee	Property	Lease Term/Rent
Guangdoli Co., Ltd.	Champion Building Materials Co. Ltd.	Office-5F., No. 288, Xinhua 1st Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.) (149.31 m <sup>2</sup> )	Term 2024/6/1~2029/5/31 Monthly rent NT\$266,518 (tax incl.)
Gaoqi Ceramics Co., Ltd.	Champion Building Materials Co. Ltd.	Office-4F., No. 288, Xinhua 1st Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.) (117.19 m <sup>2</sup> )	Term 2023/6/1~2026/5/31 Monthly rent NT\$209,184 (tax incl.) (Renew upon expiration)
	Guan Zhong Trading Co, Ltd.	Office-4F., No. 288, Xinhua 1st Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.) (33.5 m <sup>2</sup> )	Term 2024/6/1~2026/5/31 Monthly rent NT\$59,807 (tax incl.)
	Champion Highwealth Co., Ltd.	Office-4F., No. 288, Xinhua 1st Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.) (50.3 m <sup>2</sup> )	Term 2023/4/1~2026/3/31 Monthly rent NT\$89,785 (tax incl.) (Renew upon expiration)
Gaoyuwang Co., Ltd.	Champion Highwealth Co., Ltd.	Showroom and office-66, Ln. 476, Sec. 2, Chengguan Rd., Renwu Dist., Kaohsiung City 814, Taiwan (R.O.C.) (40 m <sup>2</sup> )	Term 2025/1/1~2025/12/31 Monthly rent NT\$31,500 (tax incl.)
Champion Building Materials Co. Ltd.	Weixun Co., Ltd., Fanyang Co., Ltd.	No. 200, Zhugaocuo, Dapu Vil., Zhunan Township, Miaoli County 350, Taiwan (R.O.C.)	Term 2025/5/1~2027/4/30 Combined monthly rent NT\$110,000(tax incl.)

(2.5.1) Leases – Lessor: Rental income and related details arising from leasing properties and equipment to related parties in 2025 are as follows:

Unit: NTD Thousands

Lessor	Lessee	Rent	Collect water and electricity fees
Champion Building Materials Co. Ltd.	Weixun Co., Ltd.	743	72
Champion Building Materials Co. Ltd.	Fanyang Co., Ltd.	514	36
Champion Ceramics (Anhui) Co., Ltd	Seagull Champion Ltd.	20,258	-
<b>Total</b>		<b>21,515</b>	<b>108</b>

(2.5.2) Leases – Lessee: Expenses and related details arising from leasing properties and equipment from related parties in 2025 are as follows:

Unit: NTD Thousands

Lessee	Lessor	Refundable deposits	Original right-of-use amount	Ending lease Liabilities	Short-term lease	Amortization of interest	utilities expense
Champion Building Materials Co. Ltd.	Guangdoli Co., Ltd.	533	14,192	9,895	9	331	-
	Gaoqi Ceramics Co., Ltd.	299	6,886	989	5	63	-
Guan Zhong Trading Co, Ltd.	Gaoqi Ceramics Co., Ltd.	239	-	-	687	-	172
Champion Highwealth Co., Ltd.	Gaoqi Ceramics Co., Ltd.	160	2,817	256		19	172
	Gaoyuwang Co., Ltd.	32	-	-	360	-	-
<b>Total</b>		<b>1,263</b>	<b>23,895</b>	<b>11,140</b>	<b>1,061</b>	<b>413</b>	<b>344</b>

### 3 、 Other Transactions:

(3.1) Prepayments: The Company provided renovation subsidies and incentives for large-scale showrooms in accordance with the showroom subsidy program. As of December 31, 2025, all such amounts have been fully recognized. The amortization expense incurred in 2025 (recognized under selling expenses) amounted to NT\$6,117 thousand.

(3.2) Due to operational management needs, the Company engaged its subsidiary Guan Zhong Trading Co, Ltd. to provide labor services. The amount of NT\$967 thousand for the year 2025. (recognized as selling expenses).

(3.3) Xinyi Ceramics (China) Co., Ltd. recognized royalty income from the related party Seagull Champion Co., Ltd. in the amount of NT\$10,792 thousand for the year 2025.

(3.4) Xinyi Ceramics (China) Co., Ltd. engaged the related party Seagull Champion Co., Ltd. to provide accounting services, with service fees amounting to NT\$915 thousand for the year 2025.

#### 4 ▾ Loans of funds to others:

(4.1) Loans of funds to others: : Such transactions are conducted in accordance with the respective “Procedures for Loaning of Funds to Others” of the Company and the Group. The loan amounts comply with both the limits for individual counterparties and the aggregate limits.

Details of loans of funds in 2025 are as follows:

Unit: NTD Thousands

The company that lends funds	Counterparty of Loan	Maximal Amount in this Period	Ending Balance	Actual Amount Used	Interest Rate Interval	Limit in Amount of Loans to a Single Borrower	Limit on Aggregate Amount on Loan of Funds
The Company	Sinyih Ceramic (China) Co., Ltd.	629,580	629,580	359,760	4.0%	1,053,278	2,106,557
The Company	Champion Highwealth Co., Ltd	100,000	50,000	25,000	3.1%	1,053,278	2,106,557
The Company	Guan Zhong Trading Co., Ltd.	30,000	-	-	3.1%	1,053,278	2,106,557
Swanview	Sinyih Ceramic (China) Co., Ltd.	150,888	150,888	150,888	2.5%	449,020	449,020
Swanview	The Company	125,740	125,740	-	-	449,020	449,020
Sinyih Ceramic (China) Co., Ltd.	Xiaoxian Huaguan mineral products Co., Ltd.	22,485	-	-	-	501,999	501,999
Sinyih Ceramic (China) Co., Ltd.	Champion Ceramics (Anhui) Co., Ltd.	134,910	112,425	82,906	-	501,999	501,999
Sinyih Ceramic (Penglai) Co., Ltd.	Sinyih Ceramic (China) Co., Ltd.	1,079,280	44,970	34,178	-	301,980	301,980

Notes:

1. The nature of all loans is for short-term financing needs.
2. The total amount of loans provided by the Company shall not exceed 40% of the Company’s net worth; the limit for any single counterparty shall not exceed 20% of the Company’s net worth.
3. For each subsidiary (except Xinyi Penglai), both the aggregate loan limit and the limit for individual counterparties shall not exceed 40% of the subsidiary’s net worth.
4. For Xinyi Penglai, both the aggregate loan limit and the limit for individual counterparties shall not exceed 120% of its net worth.
5. All lending companies and borrowers mentioned above are related parties.

(4.2) Endorsements and Guarantees for Others: Executed in accordance with the Company's "Procedures for Endorsements and Guarantees." The amounts of endorsements and guarantees provided to others are all within the "Individual Entity Limit" and the "Aggregate Limit."

The details of endorsements and guarantees for others in 2025 are as follows:

Unit: NTD Thousands

The company providing endorsements/ guarantees	Company Name	Relations	Balance of Maximal Endorsement/Guarantee in Current Period	Ending Endorsement and Guarantee Balance	Actual Amount Used	Proportion of Accumulated Endorsement/ Guarantee Amount to the Net Value in Most Recent Financial Statement	Individual limit	Maximal Limit of Endorsement/Guarantee
The Company	Guan Zhong Trading Co., Ltd.	Subsidiary	77,153	47,153	6,103	0.9 %	1,579,918	2,633,196
The Company	Champion Highwealth Co., Ltd.	Subsidiary	62,746	62,746	21,232	1.19%	1,579,918	2,633,196
The Company	Guangdoli Co., Ltd.	With business transactions	25,966	20	-	-	1,579,918	2,633,196
The Company	Gaoyuwang Co., Ltd	With business transactions	5,900	-	-	-	1,579,918	2,633,196

Note 1: The aggregate limit for the Company's total endorsements and guarantees is 50% of the Company's net worth; the limit for endorsements and guarantees provided to a single enterprise is 30% of the Company's net worth.

Attachment 6

(1) Remuneration to General Directors and Independent Directors

Unit: NT\$000'

Title	Name	Remuneration of Directors								Total of items A, B, C and D and ratios over net income after tax (%)		Relevant remuneration received by Directors who are also employees								Total of items A, B, C, D, E, F, and G and ratios over net income after tax (%)		Receive remuneration from investee companies other than subsidiaries or from the parent company
		Compensation (A)		Severance pay and retirement pension (B)		Remuneration of Directors (C)		Allowances for Business Execution (D)				Salaries, bonus, and allowance (E)		Remuneration of Directors (F)		Remuneration of Employees (G)						
		The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	
Chairman	Tai Yu Investment Co., Ltd. Representative Lin, Jung-Te	0	0	0	0	689	689	470	1,010	1,159	1,699	2,837	3,849	0	0	134	0	134	0	4,264	5,548	0
Director	Tai Yu Investment Co., Ltd. Representative Lin, You-Yu	0	0	0	0	371	371	470	578	841	949	2,770	2,770	108	108	71	0	71	0	3,861	3,827	0
Director	Hua Yi Industrial Co., Ltd. Representative Lin, He-Cun	0	0	0	0	371	371	440	440	811	811	0	0	0	0	0	0	0	0	811	811	0
Director	Hua Yi Industrial Co., Ltd. Representative Chen, Jung-Yang (Rescinded on 18 June 2024)	0	0	0	0	279	279	710	710	989	989	0	0	0	0	0	0	0	0	989	989	0
Independent Director	Kung, Shu-Chang	0	0	0	0	279	279	720	720	999	999	0	0	0	0	0	0	0	0	999	999	0
Independent Director	Yang, Ming-Hsun	0	0	0	0	371	371	720	720	1,091	1,091	0	0	0	0	0	0	0	0	1,091	1,091	0
Independent Director	Chane, Mei-Hua	0	0	0	0	279	279	720	720	999	999	0	0	0	0	0	0	0	0	999	999	0

Title	Name	Remuneration of Directors								Total of items A, B, C and D and ratios over net income after tax (%)		Relevant remuneration received by Directors who are also employees								Total of items A, B, C, D, E, F, and G and ratios over net income after tax (%)		Receive remuneration from investee companies other than subsidiaries or from the parent company
		Compensation (A)		Severance pay and retirement pension (B)		Remuneration of Directors (C)		Allowances for Business Execution (D)				Salaries, bonus, and allowance (E)		Remuneration of Directors (F)		Remuneration of Employees (G)						
		The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company		All companies in the financial report		The Company	All companies in the financial report	
Independent Director	Wu, Heng-Yi	0	0	0	0	689	689	470	1,010	1,159	1,699	2,837	3,849	0	0	134	0	134	0	4,264	5,548	0
Independent Director	Wu, Yung-Ku (Rescinded on 18 June 2024)	0	0	0	0	371	371	470	578	841	949	2,770	2,770	108	108	71	0	71	0	3,861	3,827	0
Independent Director	Lu Chin-Tsang (Rescinded on 18 June 2024)	0	0	0	0	371	371	440	440	811	811	0	0	0	0	0	0	0	0	811	811	0

1. Please explain the payment policies, systems, standards, and structures for remuneration of Independent Directors and explain the connection between factors (such as duties, risks, and time invested) and the amount of remuneration paid:

According to the Articles of Association of the Company (the "Articles"), the Board (advised by the Remuneration Committee) is authorized to determine the compensation of Directors based on their participation in the Company's operations and the value of their contributions with reference to the common standards within the industry.

2. Except for the disclosures in the above table, remuneration received by Directors for providing services (such as being nonemployee consultants of the parent company/any company in the financial statements/investee) to all companies in the financial report for the latest year was NT\$240,000.

Note 1: A driver is assigned to Chairman Lin, Jung-Te, and the driver's compensation was NT\$1,049,907.

## Independent Auditors' Report

The Board of Directors  
Champion Building Materials Co., Ltd.

### Opinion

We have audited the financial statement of Champion Building Materials Co., Ltd. (the "Company") as of December 31 2025 and 2024, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying individual financial statements present fairly, in all material respects, the financial position of the Company as of December 31 2025 and 2024, and its financial performance and its cash flows for the years 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 Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of 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 individual financial statements of the Company for the year ended 31 December 2025. These matters were addressed in the context of our audit of the individual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. According to our judgment, key audit matters to be communicated in the audit report are as follows:

#### I. Income Recognition

For details of accounting policies related to income recognition, please refer to Note 4(16), "Income recognition," in the notes to individual financial statements. For details of description for income recognition, please refer to Note 6(17), "Income from contract with customers," and Note 7, "transactions with related parties," in the notes to individual financial statements.

Description of the Key Audit Matter:

Champion Building Materials Co., Ltd. primarily engages in the manufacturing and trading of ceramics, ceramic products, stone products, and fire-resistant materials. Income is the primary source of cash inflows for its corporate operations, and is also a matter concerned by the user of the financial statements. In addition, approximately 81.82% of Champion Building Materials Co., Ltd.'s operating revenue is derived from sales transactions with related parties. Therefore, income recognition is a matter that requires great attention for our audits on the financial statements.

Corresponding audit procedures:

The primary audit procedures we performed for the abovementioned key audit matter include:

- We evaluated the appropriateness of accounting policies for income recognition;
- Reviewing management's procedures for identifying related parties;
- We performed circular internal control testing for sales income and checked the accuracy regarding the time spot of income recognition;
- We performed a variance analysis for top 10 customers of sales to evaluate whether any significant anomaly exists, and sent out inquiries to counterparties for evidence;
- Assessing whether the terms and collection status of sales transactions with related parties differ significantly from those with non-related parties;
- We selected a period of time before and after the balance sheet date to verify relevant certificates, so as to confirm that relevant transactions had been accounted for appropriately.

## II. Inventory Valuation

For details of accounting policies related to inventory valuation, please refer to Note 4(7) Inventory in the notes to individual financial statements. For details of uncertainties in accounting estimates and assumptions related to inventory valuation, please refer to Note 5(2) in the notes to individual financial statements. For descriptions on inventory valuation, please refer to Note 6(6) in the notes to individual financial statements:

Description of the Key Audit Matter:

The inventory amount of Champion Building Materials Co., Ltd. is presented at the lower of costs and net realizable amount. As the Company is in an industry related to real estate, the poor economic environment for real estate may result in more significant fluctuation in the selling prices of products, which may, in turn, generate risks where the inventory costs are higher than the net realizable value. Therefore, inventory valuation is a matter that requires great attention for our audits on the financial statements.

Corresponding audit procedures:

The primary audit procedures we performed for the abovementioned key audit matter include:

- We examined the statements of inventory age and analyzed the changes of inventory age in different periods. We also sample-checked whether inventories are in the correct range of age;
- We evaluated the reasonableness of ratio for the allowance for inventory price drops or obsolete losses;
- We evaluated whether inventory valuation had been executed according to the existing accounting policies. We evaluated the basis adopted for net realizable value to verify the accuracy used by the management in estimating the valuation of allowance for inventory.

## III. Valuation of Investments Accounted for Using the Equity Method

For details of the accounting policies related to equity method investments, please refer to Notes 4(8) and 4(9) of the parent company only financial statements; for details of the investments accounted for using the equity method, please refer to Note 6(7).

Description of the Key Audit Matter:

As of December 31, 2025, the carrying amount of investments accounted for using the equity method was NT\$1,539,473 thousand, which represents a significant investment. Some of the investee companies have continued to incur losses, and their property, plant, and equipment represent material assets. Therefore, the valuation of these equity-method investments was considered a key audit matter in our audit of the financial statements.

Corresponding audit procedures:

The primary audit procedures we performed for the abovementioned key audit matter include:

- Understanding management's procedures and methods for monitoring the investee companies;
- Obtaining financial information of the investee companies and performing audit procedures in accordance with the group audit plan, including impairment assessments of property, plant, and equipment held by the investees;
- Verifying the accuracy of the equity method accounting and evaluating the appropriateness of related disclosures by management.

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

Management is responsible for the preparation and fair presentation of the individual 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 the individual financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance of Champion Building Materials Co., Ltd., including the Audit Committee, are responsible for overseeing the financial reporting process.

#### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the individual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the ROC will always detect a material misstatement in the individual financial statements 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 individual financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the ROC, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the individual 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 Champion Building Materials Co., Ltd.'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 Champion Building Materials Co., Ltd.'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 individual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the individual financial statements, including relevant notes, and whether the individual 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 investee companies accounted for using the equity method to express an opinion on the individual financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for forming the audit opinion for the Champion Building Materials Co., Ltd..

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 provided those charged with governance with a statement that we have complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China regarding independence, and to communicate with them all relationships and other matters that may be thought to bear on our independence (including relevant preventive measures).

From the matters communicated with those charged with governance, we determined key audit matters of the financial statements of the Champion Building Materials Co., Ltd. for the year ended 31 December 2025. We describe these matters in our auditor's 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 communications.

The engagement partners on the audits resulting in this independent auditors' report are Chung-Che Chen and Shin-Chin Chih.

KPMG

Taipei, Taiwan (Republic of China)

March 27, 2026

**Champion Building Materials Co., Ltd.**

**Balance Sheet**

**31 December 2025 and 2024**

**Unit: NT\$000'**

Asset	2025.12.31		2024.12.31		Liabilities and Equity	2025.12.31		2024.12.31	
	Amount	%	Amount	%		Amount	%	Amount	%
<b>Current asset:</b>					<b>Current liabilities:</b>				
1100 Cash and cash equivalents (Note 6(1) and(20))	\$ 1,312,551	17	1,615,559	21	2100 Short-term borrowings (Notes 6(11), (20) and 8)	\$ 469,705	6	74,388	1
1110 Financial assets at fair value through profit or loss – Current (Note 6(2) and (20))	9,670	-	9,597	-	2130 Contract liabilities – Current (Note 6(17))	1,053	-	1,193	-
1120 Financial assets at fair value through other comprehensive income – Current (Note 6(3) and (20))	28,319	1	29,605	-	2150 Note payables (Note 6(20))	103,054	1	151,235	2
1150 Note receivables (Notes 6(5), (17) and (20))	78,722	1	56,851	1	2161 Note payables -Related parties (Notes 6(20) and 7)	4,242	-	810	-
1160 Note receivables -Related parties (Notes 6(5), (17), (20) and 7)	428,103	6	501,466	6	2170 Account payables (Note 6(20))	108,453	1	151,980	2
1170 Account receivables (Notes 6(5), (17), and (20))	60,821	1	43,930	1	2200 Other payables (Notes 6(20))	196,939	3	211,621	3
1180 Account receivables -Related parties Notes 6(5), (17), (20) and 7)	95,504	1	220,019	3	2220 Other payables -Related parties (Notes 6(20) and 7)	1,739	-	15,202	-
1210 Other receivables -Related parties (Notes 6(20) and 7)	395,952	5	254,454	3	2230 Current income tax liabilities	-	-	23,096	-
1220 Current income tax assets	13,938	-	-	-	2251 Allowances for employee benefit liabilities – Current (Notes 6(13))	19,247	-	18,351	-
1310 Inventory – Manufacturing industry (Note 6(6))	838,675	11	641,903	8	2280 Lease liabilities – Current (Note 6(20))	21,797	1	25,215	-
1320 Buildings and land held for sale (Notes 8 and 12)	59,339	1	59,339	1	2320 Current portion of long-term borrowings (Notes 6(12), (20) and 8)	138,165	2	68,166	1
1410 Prepayment (Note 7)	105,656	1	154,205	2	2399 Other current liabilities - Others	7,626	-	7,609	-
1476 Other financial assets – Current (Notes 6(20) and 8)	13,438	-	161,105	2		<u>1,072,020</u>	<u>14</u>	<u>748,866</u>	<u>9</u>
1479 Other current assets - Others	1,858	-	1,858	-	<b>Non-Current liabilities:</b>				
	<u>3,442,546</u>	<u>45</u>	<u>3,749,891</u>	<u>48</u>	2540 Long-term borrowings (Notes 6(12), (20) and 8)	1,185,711	15	1,323,8796	17
<b>Non-current asset:</b>					2570 Deferred income tax liabilities (Note 6(14))	97,301	1	101,416	1
1517 Financial assets at fair value through other comprehensive income – Non-current (Notes 6(3) and (20))	10,000	-	10,000	-	2580 Lease liabilities – Non-current (Note 6(20))	64,485	1	67,980	1
1535 Financial assets measured at amortized cost– Non-current (Notes 6(4) and (20))	20,000	-	20,000	-	2645 Guarantee deposit received (Notes 6(20))	290	-	290	-
1550 Investments accounted for using equity method (Note 6(7))	1,539,473	20	1,450,783	19		<u>1,347,787</u>	<u>17</u>	<u>1,493,562</u>	<u>19</u>
1600 Property, plant and equipment (Notes 6(8) and 8)	2,435,743	32	2,111,782	28	<b>Total liabilities</b>	<u>2,419,807</u>	<u>31</u>	<u>2,242,428</u>	<u>28</u>
1755 Right-of-use assets (Note 6(9))	89,319	1	95,986	1	<b>Equity (Note 6(15)):</b>				
1760 Net investment properties (Notes 6(10))	-	-	81,463	1	3100 Share capital	3,904,039	51	3,904,039	50
1780 Intangible assets	7,313	-	15,014	-	3200 Capital reserve	157,999	2	157,999	2
1840 Deferred income tax assets (Note 6(14))	31,257	1	32,722	-	3300 Retained earnings	871,355	11	1,147,810	15
1915 Prepayment for equipment (Note 9)	65,144	1	208,419	3	3400 Other equity	379,591	5	403,090	6
1920 Refundable deposits(Note 6(20))	4,273	-	4,473	-	3500 Treasury shares	(46,592)	-	(46,592)	(1)
1970 Defined benefit asset– Non-current (Note 6(13))	14,669	-	11,591	-		<u>5,266,392</u>	<u>69</u>	<u>5,566,346</u>	<u>72</u>
1990 Other non-current assets - Others	26,462	-	16,650	-	<b>Total liabilities and equity</b>	<u>\$ 7,686,199</u>	<u>100</u>	<u>7,808,774</u>	<u>100</u>
	<u>4,243,653</u>	<u>55</u>	<u>4,058,883</u>	<u>52</u>					
<b>Total asset</b>	<u>\$ 7,686,199</u>	<u>100</u>	<u>7,808,774</u>	<u>100</u>					

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

**Champion Building Materials Co., Ltd.**  
**Statement of Comprehensive Income**  
**For the Year Ended December 31 2025 and 2024**

Unit: NT\$000'

		2025		2024	
		Amount	%	Amount	%
<b>Operating revenues (Notes 6(17) and 7):</b>					
4110	Revenue	\$ 3,027,339	104	3,280,379	104
4170	Less: Sales return	45,172	2	50,142	2
4190	Sales discounts	63,689	2	79,702	2
	<b>Net revenues</b>	<u>2,918,478</u>	<u>100</u>	<u>3,150,535</u>	<u>100</u>
5110	<b>Operating cost (Notes 6(6), (13), 7, and 12)</b>	<u>2,242,302</u>	<u>77</u>	<u>2,311,627</u>	<u>73</u>
5900	<b>Gross profit</b>	<u>676,176</u>	<u>23</u>	<u>838,908</u>	<u>27</u>
6000	<b>Operating expenses (Notes 6(5), (13), (18), and 12):</b>				
6100	Selling	279,132	10	309,664	10
6200	Administrative	210,888	7	221,143	7
6300	Research and development	28,242	1	38,380	1
6450	Expected Credit Impairment Losses (reversal)	4,668	-	(808)	-
	<b>Total operating expenses</b>	<u>522,930</u>	<u>18</u>	<u>568,379</u>	<u>18</u>
6900	<b>Operating income</b>	<u>153,246</u>	<u>5</u>	<u>270,529</u>	<u>9</u>
	<b>Non-operating income and expenses:</b>				
7010	Other income (Notes 6(19))	32,177	1	34,901	1
7020	Other gains and losses (Note 6(19))	19,826	1	41,046	1
7050	Financial costs (Note 6(19))	(42,756)	(1)	(39,669)	(1)
7070	Share of profit or loss from subsidiaries, associates, and joint ventures accounted for using the equity method	(34,911)	(1)	(126,841)	(4)
	<b>Total non-operating income and expenses</b>	<u>(25,664)</u>	<u>-</u>	<u>(90,563)</u>	<u>(3)</u>
	<b>Profit before income tax</b>	<u>127,582</u>	<u>5</u>	<u>179,966</u>	<u>6</u>
7950	<b>Less: Income tax expenses (Note 6(14))</b>	<u>15,369</u>	<u>1</u>	<u>60,627</u>	<u>2</u>
	<b>Net profit</b>	<u>112,213</u>	<u>4</u>	<u>119,339</u>	<u>4</u>
8300	<b>Other comprehensive income:</b>				
8310	<b>Items that will not be reclassified to profit or loss</b>				
8311	Gains (losses) on remeasurements of defined benefit plans	(2,152)	-	12,931	-
8316	Unrealized gains (losses) from investment in debt instrument measured at fair value through other comprehensive income	(1,061)	-	1,274	-
8330	Share of other comprehensive income of subsidiaries, associates, and joint ventures accounted for using equity method - Items that will not be reclassified to profit or loss	(5,826)	-	(11,104)	-
8349	Less: Income tax related to items that will not be reclassified to profit or loss	-	-	-	-
	<b>Total items that will not be reclassified to profit or loss</b>	<u>(9,039)</u>	<u>-</u>	<u>3,101</u>	<u>-</u>
8360	<b>Items that will be reclassified to profit or loss</b>				
8361	Exchange differences arising from the translation of financial statements of institutions operating overseas	(20,573)	(1)	52,909	2
8367	Unrealized gains (losses) from investment in debt instrument measured at fair value through other comprehensive income	(154)	-	844	-

**Champion Building Materials Co., Ltd.**  
**Statements of Comprehensive Income(Cont'd)**  
**For the Year Ended December 31 2025 and 2024**

		Unit: NT\$000'			
		2025		2024	
		Amount	%	Amount	%
8399	Less: Income tax related to items that may subsequently be reclassified into profit or loss	(4,115)	-	10,583	-
	<b>Total items that will be reclassified to profit or loss</b>	<u>(16,612)</u>	<u>(1)</u>	<u>43,170</u>	<u>2</u>
8300	<b>Other comprehensive income</b>	<u>(25,651)</u>	<u>(1)</u>	<u>46,271</u>	<u>2</u>
	<b>Total comprehensive income(NT\$) (Note 6(15))</b>	<u>\$ 86,562</u>	<u>3</u>	<u>165,610</u>	<u>6</u>
9750	<b>Basic Earnings per share</b>	<u>\$</u>	<u>0.29</u>	<u>\$</u>	<u>0.31</u>
9801	<b>Diluted Earnings Per Share</b>	<u>\$</u>	<u>0.29</u>	<u>\$</u>	<u>0.31</u>

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

**Champion Building Materials Co., Ltd.**  
**Statements of Changes in Equity**  
**For the Year Ended December 31, 2025 and 2024**

Unit: NT\$000'

	Retained earnings						Other equity				Total equity
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange differences on translating	Unrealized gains or Loss on instruments at fair value through other comprehensive income	Total	Treasury shares	
<b>Balance at January 1, 2024</b>	<u>\$ 3,904,039</u>	<u>157,999</u>	<u>600,038</u>	<u>121,349</u>	<u>294,153</u>	<u>1,05,540</u>	<u>336,563</u>	<u>33,187</u>	<u>369,750</u>	<u>-</u>	<u>5,447,328</u>
Net profit	-	-	-	-	119,339	119,339	-	-	-	-	119,339
Other comprehensive income	-	-	-	-	12,931	12,931	42,326	(8,986)	33,340	-	46,271
Total comprehensive income	-	-	-	-	132,270	132,270	42,326	(8,986)	33,340	-	165,610
Treasury stock acquired	-	-	-	-	-	-	-	-	-	(46,592)	(46,592)
<b>Balance at December 31, 2024</b>	3,904,039	157,999	600,038	121,349	426,423	1,147,810	378,889	24,201	403,090	-	5,566,346
Net profit	-	-	-	-	112,213	112,213	-	-	-	-	112,213
Other comprehensive income	-	-	-	-	(2,152)	(2,152)	(16,458)	(7,041)	(23,499)	-	(25,651)
Total comprehensive income	-	-	-	-	110,061	110,061	(16,458)	(7,041)	(23,499)	-	86,562
Appropriation of earnings :											
Legal reserve	-	-	13,227	-	(13,227)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(386,516)	(386,516)	-	-	-	-	(386,516)
<b>Balance at December 31, 2025</b>	<u>\$ 3,904,039</u>	<u>157,999</u>	<u>613,265</u>	<u>121,349</u>	<u>136,741</u>	<u>871,355</u>	<u>362,431</u>	<u>17,160</u>	<u>379,591</u>	<u>(46,592)</u>	<u>5,266,392</u>

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

**Champion Building Materials Co., Ltd.**  
**Statement of Cash Flows**  
**For the Year Ended December 31 2025 and 2024**

Unit: NT\$000'

	2025	2024
<b>Cash flows from operating activities:</b>		
<b>Profit before income tax</b>	\$ 127,582	179,966
<b>Adjustments for:</b>		
Depreciation expenses	245,659	182,397
Amortization expenses	29,209	22,759
Expected Credit Impairment Loss (reversal)	4,668	(808)
Losses(gains) on financial assets at fair value through profit or loss	(73)	403
Interest expenses	42,756	39,669
Interest income	(26,417)	(29,101)
Dividend income	(1,094)	(1,031)
Share of losses from subsidiaries, associates, and joint ventures accounted for using the equity method	34,911	126,841
Losses on disposals and scrapping of property, plant and equipment	7,043	10,014
Property, plant and equipment transferred to expenses	-	20,303
Gains on disposal of investment property	(18,246)	-
(Gains) losses on Lease Modification	5	(3)
<b>Total items of profit or loss</b>	<b>318,421</b>	<b>371,443</b>
<b>Changes in asset/liabilities related to operating activities:</b>		
<b>Net changes of asset related to operating activities:</b>		
Decrease (increase) in note receivables, including related parties	51,492	(43,790)
Decrease in account receivables, including related parties	104,833	37,163
(Increase) decrease in inventory	(196,772)	271,255
Decrease (increase) in prepayments	46,704	(28,779)
Decrease (increase) in other current assets	-	13
Decrease in other financial assets - Current	(781)	(392)
Increase in Net defined benefit asset	(5,230)	-
<b>Total net changes of asset related to operating activities</b>	<b>246</b>	<b>235,470</b>
<b>Net changes of liabilities related to operating activities:</b>		
Decrease in contract liabilities	(140)	(1,985)
(Decrease) increase in note payables, including related parties	(44,749)	17,708
Decrease in account payables, including related parties	(43,527)	(6,445)
(Decrease) increase in other payables, including related parties	(28,857)	43,718
Increase in allowance for liabilities	896	553
(Decrease) increase in other current liabilities	17	(2,265)
Decrease in net defined benefit liabilities	-	(4,725)
<b>Total net changes in liabilities related to operating activities</b>	<b>(116,360)</b>	<b>46,559</b>

**Champion Building Materials Co., Ltd.**

**Statement of Cash Flows**

**For the Year Ended December 31 2025 and 2024**

Unit: NT\$000'

	2025	2024
Total net changes in assets and liabilities related to operating activities	(116,114)	282,029
Total adjustments	202,307	653,472
Cash inflow generated from operations	329,889	833,438
Interests paid	(40,209)	(38,325)
Income tax paid	(50,938)	(58,867)
<b>Net cash inflow from operating activities</b>	<b>238,742</b>	<b>736,246</b>
<b>Cash flows from investment activities:</b>		
Acquisition of financial assets at fair value through profit or loss	-	(10,000)
Acquisition of investments accounted for using equity method	(150,000)	(72,000)
Acquisition of property, plant and equipment	(360,130)	(480,946)
Disposal of property, plant and equipment	851	1,045
Acquisition of intangible assets	(930)	(10,830)
Decrease in refundable deposits	200	1,494
(Increase) decrease in other receivables – Related parties	(140,266)	157,169
Disposal of investment property	99,709	
Decrease in other financial assets	147,255	118,744
Increase in other non-current assets	(30,390)	(9,608)
Increase in prepayments for equipment	(45,509)	(164,623)
Interests received	26,417	29,030
Dividend received	1,094	1,031
<b>Net cash outflow from investment activities</b>	<b>(451,699)</b>	<b>(439,494)</b>
<b>Cash flows from financing activities:</b>		
Increase in short-term borrowings	1,354,994	1,881,624
Decrease in short-term borrowings	(959,677)	(2,259,570)
Proceeds from long-term debt	-	1,390,820
Repayment for long-term borrowings	(70,000)	(899,766)
Repayment of the principal portion of lease liabilities	(28,852)	(30,316)
Distribution of Cash Dividends	(386,516)	-
Acquisition of treasury stock	-	(46,592)
<b>Net cash inflow(outflow) from financing activities</b>	<b>(90,051)</b>	<b>36,200</b>
Increase (decrease) in cash and cash equivalents for the period	(303,008)	332,952
Opening balance for cash and cash equivalents	1,615,559	1,282,607
Closing balance for cash and cash equivalents	<b>\$ 1,312,551</b>	<b>1,615,559</b>

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

# Independent Auditors' Report

The Board of Directors  
Champion Building Materials Co., Ltd.

## Opinion

We have audited the consolidated financial statement of Champion Building Materials Co., Ltd. and its subsidiaries (the “Champion Group”) as of December 31 2025 and 2024, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Champion Group as of December 31 2025 and 2024, and its consolidated 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 and with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretations developed by the International Financial Reporting Interpretations Committee (“IFRICs”), or the former Standing Interpretations Committee (“SICs”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

## Basis for Opinion

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

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the Champion Group for the year ended 31 December 2025. These matters were addressed in the context of our audit of the individual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. According to our judgment, key audit matters to be communicated in the audit report are as follows:

### I. Income Recognition

For details of accounting policies related to income recognition, please refer to Note 4(16), “Income recognition,” in the notes to consolidated financial statements. For details of description for income recognition, please refer to Note 6(19), “Income from contract with customers,” and Note 7, “transactions with related parties,” in the notes to consolidated financial statements.

Description for the Key Audit Matter:

Champion Group primarily engages in the manufacturing and trading of ceramics, ceramic products,

stone products, and fire-resistant materials. Income is the primary source of cash inflows for its corporate operations, and is also a matter concerned by the user of the financial statements. In addition, approximately 76.20% of Champion Building Materials Co., Ltd.'s operating revenue is derived from sales transactions with related parties. Therefore, income recognition is a matter that requires great attention for our audits on the financial statements.

Corresponding audit procedures:

- We evaluated the appropriateness of accounting policies for income recognition;
- Reviewing management's procedures for identifying related parties;
- We performed circular internal control testing for sales income and checked the accuracy regarding the time spot of income recognition;
- We performed a variance analysis for top 10 customers of sales to evaluate whether any significant anomaly exists, and sent out inquiries to counterparties for evidence;
- Assessing whether the terms and collection status of sales transactions with related parties differ significantly from those with non-related parties;
- We selected a period of time before and after the balance sheet date to verify relevant certificates, so as to confirm that relevant transactions had been accounted for appropriately.

## II. Inventory Valuation

For details of accounting policies related to inventory valuation, please refer to Note 4(8) Inventory in the notes to consolidated financial statements. For details of uncertainties in accounting estimates and assumptions related to inventory valuation, please refer to Note 5(2) in the notes to consolidated financial statements. For descriptions on inventory valuation, please refer to Note 6(6) in the notes to consolidated financial statements:

Description for the Key Audit Matter:

The inventory amount of Champion Group is presented at the lower of costs and net realizable amount. As the Champion Group is in an industry related to real estate, the poor economic environment for real estate may result in more significant fluctuation in the selling prices of products, which may, in turn, generate risks where the inventory costs are higher than the net realizable value. Therefore, inventory valuation is a matter that requires great attention for our audits on the financial statements.

Corresponding audit procedures:

- We examined the statements of inventory age and analyzed the changes of inventory age in different periods. We also sample-checked whether inventories are in the correct range of age;
- We evaluated the reasonableness of ratio for the allowance for inventory price drops or obsolete losses;
- We evaluated whether inventory valuation had been executed according to the existing accounting policies. We evaluated the basis adopted for net realizable value to verify the accuracy used by the management in estimating the valuation of allowance for inventory.

## III. Impairment of Property, Plant and Equipment

For accounting policies for the impairment of non-financial assets, please refer to Note 4(15) Inventory in the notes to consolidated financial statements. For details of uncertainties in accounting estimates and assumptions related to property, plant and equipment, please refer to Note 5(3) in the

notes to consolidated financial statements. For descriptions on the impairment of property, plant and equipment, please refer to Note 6(9) in the notes to consolidated financial statements:

Description for the Key Audit Matter:

The primary scope of business of the Champion Group is manufacturing and sales of ceramic products. Its operating segments are comprised of the tile business segment and Chinese business segment; its property, plant and equipment accounted for 38% of the consolidated total assets. There is indication of impairment regarding property, plant and equipment as the Chinese business segment recorded continual operating losses. Therefore, the impairment of property, plant and equipment is a matter that requires great attention for our audits on the financial statements.

Corresponding audit procedures:

- We examined whether there is any significant anomaly exists in calculating the carrying amount of the Chinese business segment's property, plant and equipment;
- We evaluated the reasonableness of assumptions and parameters adopted for the recoverable amount of property, plant and equipment;
- We reviewed whether the recoverable amount was determined at the higher of the net fair value and value in use;
- We compared the recoverable and carrying amount of property, plant and equipment to confirm whether property, plant and equipment is impaired.

#### **Other Matters**

Champion Building Materials Co., Ltd. prepared its individual financial statements for the years ended December 31, 2025 and 2024, on which we issued an unqualified opinion with an other matter paragraph.

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

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

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

Those charged with governance of Champion Group, including the Audit Committee, are responsible for overseeing the financial reporting process.

#### **Auditors' Responsibilities for the Audit of the 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 auditing standards generally accepted in the ROC will always detect a material misstatement in the consolidated financial

statements 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 auditing standards generally accepted in the ROC, 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 Champion 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 Champion 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 Champion Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the consolidated financial statements, including relevant notes, 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 the group entities 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 forming the audit opinion for the Champion Group.

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 provided those charged with governance with a statement that we have complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China regarding independence, and to communicate with them all relationships and other matters that may be thought to bear on our independence (including relevant preventive measures).

From the matters communicated with those charged with governance, we determined key audit matters of the consolidated financial statements of the Champion Group for the year ended 31 December 2025. We describe these matters in our auditor's 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 communications.

The engagement partners on the audits resulting in this independent auditors' report are Chung-Che Chen and Shin-Chin Chih.

KPMG

Taipei, Taiwan (Republic of China)

March 27, 2026



**Champion Building Materials Co., Ltd. and Its Subsidiaries**  
**Consolidated Statement of Comprehensive Income**  
**For the Year Ended December 31 2025 and 2024**

		Unit: NT\$000'			
		2025		2024	
		Amount	%	Amount	%
	<b>Operating revenue (Note 6(19) and 7):</b>				
4110	Sales revenue	\$ 3,097,404	95	3,383,027	99
4511	Construction revenue	273,585	8	180,604	5
4170	Less: Sales return	46,961	1	54,443	2
4190	Sales discount	63,994	2	79,712	2
	<b>Net revenue</b>	<u>3,260,034</u>	<u>100</u>	<u>3,429,476</u>	<u>100</u>
	<b>Operating costs (Notes 6(6), (14), 7 and 12)</b>				
5110	Cost of sales	2,325,225	71	2,418,805	71
5510	Cost of construction sales	191,022	6	121,662	4
	<b>Operating costs</b>	<u>2,516,247</u>	<u>77</u>	<u>2,540,467</u>	<u>75</u>
5900	<b>Gross profit</b>	<u>743,787</u>	<u>23</u>	<u>889,009</u>	<u>25</u>
6000	<b>Operating expenses (Notes 6(5), (14),(20), 7 and 12):</b>				
6100	Selling	364,457	10	384,368	11
6200	Administrative	249,115	8	278,593	8
6300	Research and development	28,242	1	38,380	1
6450	Expected Credit Impairment Losses (reversal) (Notes 6(5) and (22))	2,856	-	(25,496)	(1)
6300	<b>Total operating expenses</b>	<u>644,670</u>	<u>19</u>	<u>675,845</u>	<u>19</u>
6900	<b>Operating income</b>	<u>99,117</u>	<u>4</u>	<u>213,164</u>	<u>6</u>
	<b>Non-operating income and expenses:</b>				
7010	Other income (Notes 6(21))	24,270	1	28,640	1
7020	Other gains and losses (Notes 6 (15),(21)and 7)	43,721	1	(20,124)	(1)
7050	Financial costs (Note 6(21) and 7)	(43,625)	(1)	(40,831)	(1)
7060	Share of profit or loss from associates and joint ventures accounted for using the equity method (Note 6(8))	4,128	-	(1,106)	-
	<b>Total non-operating income and expenses</b>	<u>28,494</u>	<u>1</u>	<u>(33,421)</u>	<u>(1)</u>
	<b>Profit before income tax</b>	<u>127,611</u>	<u>5</u>	<u>179,743</u>	<u>5</u>
7950	<b>Less: Income tax expenses (Note 6(16))</b>	15,398	-	60,404	2
	<b>Net profit</b>	<u>112,213</u>	<u>5</u>	<u>119,339</u>	<u>3</u>
8300	<b>Other comprehensive income:</b>				
8310	<b>Items that will not be reclassified to profit or loss</b>				
8311	Gains (losses) on remeasurements of defined benefit plans	(2,152)	-	12,931	-
8316	Unrealized profit or loss of investments in equity instruments at fair value through other comprehensive income	(1,061)	-	1,274	-
8320	Share of comprehensive income from associates and joint ventures accounted for using the equity method – Items that will not be reclassified into profit or loss	(5,826)	-	(11,104)	-

**Champion Building Materials Co., Ltd. and Its Subsidiaries**  
**Consolidated Statement of Comprehensive Income (Cont'd)**  
**For the Year Ended December 31 2025 and 2024**

		Unit: NT\$000'			
		2025		2024	
		Amount	%	Amount	%
8349	Less: Income tax related to items that will not be reclassified into profit or loss	-	-	-	-
	<b>Total items that will not be reclassified to profit or loss</b>	(9,039)	-	3,101	-
8360	<b>Items that will be reclassified to profit or loss</b>				
8361	Exchange differences arising from the translation of financial statements of institutions operating overseas	(20,573)	(2)	52,909	2
8367	Unrealized gains (losses) from investment in debt instrument measured at fair value through other comprehensive income	(154)	-	844	-
8399	Less: Income tax related to items that may be reclassified into profit or loss	(4,115)	-	10,583	-
	<b>Total items that will be reclassified to profit or loss</b>	(16,612)	(2)	43,170	2
8300	<b>Other comprehensive income</b>	(25,651)	(2)	46,271	2
	<b>Total comprehensive income</b>	<b>\$ 86,562</b>	<b>3</b>	<b>165,610</b>	<b>5</b>
	<b>Net profit attributable to:</b>				
8610	Owner of the parent	\$ 112,213	5	119,339	3
8620	Non-controlling interests	-	-	-	-
		<b>\$ 112,213</b>	<b>5</b>	<b>119,339</b>	<b>3</b>
	<b>Total comprehensive income attributable to:</b>				
8710	Owner of the parent	\$ 86,562	3	165,610	5
8720	Non-controlling interests	-	-	-	-
		<b>\$ 86,562</b>	<b>3</b>	<b>165,610</b>	<b>5</b>
9750	<b>Basic earnings per share(NT\$) (Note 6(18))</b>	<b>\$ 0.29</b>		<b>0.31</b>	
9801	<b>Diluted earnings per share(NT\$) (Note 6(18))</b>	<b>\$ 0.29</b>		<b>0.31</b>	

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

**Champion Building Materials Co., Ltd. and Its Subsidiaries**  
**Consolidated Statements of Changes in Equity**  
**For the Year Ended December 31 2025 and 2024**

Unit: NT\$000'

	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange differences on translating	Unrealized gains or Loss on instruments at fair value through other comprehensive income	Total	Treasury shares	Total equity
<b>Balance at January 1, 2024</b>	<u>\$ 3,904,039</u>	<u>157,999</u>	<u>600,038</u>	<u>121,349</u>	<u>294,153</u>	<u>1,05,540</u>	<u>336,563</u>	<u>33,187</u>	<u>369,750</u>	<u>-</u>	<u>5,447,328</u>
Net profit	-	-	-	-	119,339	119,339	-	-	-	-	119,339
Other comprehensive income	-	-	-	-	12,931	12,931	42,326	(8,986)	33,340	-	46,271
Total comprehensive income	-	-	-	-	132,270	132,270	42,326	(8,986)	33,340	-	165,610
Treasury stock acquired	-	-	-	-	-	-	-	-	-	(46,592)	(46,592)
<b>Balance at December 31, 2024</b>	3,904,039	157,999	600,038	121,349	426,423	1,147,810	378,889	24,201	403,090	-	5,566,346
Net profit	-	-	-	-	112,213	112,213	-	-	-	-	112,213
Other comprehensive income	-	-	-	-	(2,152)	(2,152)	(16,458)	(7,041)	(23,499)	-	(25,651)
Total comprehensive income	-	-	-	-	110,061	110,061	(16,458)	(7,041)	(23,499)	-	86,562
Appropriation of earnings :											
Legal reserve	-	-	13,227	-	(13,227)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(386,516)	(386,516)	-	-	-	-	(386,516)
<b>Balance at December 31, 2025</b>	<u>\$ 3,904,039</u>	<u>157,999</u>	<u>613,265</u>	<u>121,349</u>	<u>136,741</u>	<u>871,355</u>	<u>362,431</u>	<u>17,160</u>	<u>379,591</u>	<u>(46,592)</u>	<u>5,266,392</u>

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

**Champion Building Materials Co., Ltd. and Its Subsidiaries**  
**Consolidated Statement of Cash Flows**  
**For the Year Ended December 31 2025 and 2024**

Unit: NT\$000'

	2025	2024
<b>Cash flows from operating activities:</b>		
<b>Profit before income tax</b>	\$ 127,611	179,743
<b>Adjusted for:</b>		
Items of profit or loss		
Depreciation expenses	337,339	310,833
Amortization expenses	38,926	32,761
Net losses (gains) on financial assets or liabilities at fair value through profit or loss	(20,035)	12,076
Interest expenses	43,625	40,831
(Gains) losses on Lease Modification	(1)	3
Interest income	(20,225)	(24,153)
Dividend income	(1,094)	(1,432)
Share of (gains) losses from subsidiaries, associates, and joint ventures accounted for using the equity method	(4,128)	1,106
Losses on disposals and scrapping of property, plant and equipment	10,901	10,359
Property, plant and equipment transferred to expenses	-	20,303
Gains on disposal of investment property	(18,246)	
Amortization of deferred revenue	(6,536)	(6,728)
Expected Credit Impairment Losses (reversal)	2,856	(25,496)
Total adjustments to reconcile profit	<u>363,382</u>	<u>370,463</u>
<b>Changes in asset/liabilities related to operating activities:</b>		
Increase in contract assets	(10,133)	(11,569)
Decrease (Increase) in notes receivable, including related parties	44,162	(54,670)
Decrease in accounts receivable, including related parties	104,805	44,449
Decrease in inventory	(185,895)	242,248
Decrease (Increase) in prepayments	43,592	(13,281)
Decrease (Increase) in other current assets	2,070	(3,144)
Decrease (Increase) in other financial assets	8,429	(5,280)

**Champion Building Materials Co., Ltd. and Its Subsidiaries**  
**Consolidated Statement of Cash Flows**  
**For the Year Ended December 31 2025 and 2024**

**Unit: NT\$000'**

	<b>2025</b>	<b>2024</b>
Increase in net defined benefit liabilities	(5,230)	-
Total changes in operating assets	1,800	198,753
Increase (decrease) in contract liabilities	5,015	(2,320)
(Decrease) increase in notes payable, including related parties	(44,501)	18,257
Decrease in accounts payable, including related parties	(50,647)	(11,269)
(Decrease) increase in other payable, including related parties	(36,505)	33,018
Increase in provision	1,650	553
Decrease in other current liabilities	(1,215)	(26,895)
Decrease in net defined benefit liabilities	-	(5,526)
Total net changes in liabilities related to operating activities	(126,203)	5,818
Total net changes in assets and liabilities related to operating activities	(124,403)	204,571
Total adjustments	238,979	575,034
Cash inflow generated from operations	366,590	754,777
Interests paid	(40,706)	(39,353)
Income tax paid	(50,906)	(58,869)
<b>Net cash inflow from operating activities</b>	<b>274,978</b>	<b>656,555</b>
<b>Cash flows from investment activities:</b>		
Acquisition of financial assets at amortized cost	-	(10,000)
Disposal of financial assets at fair value through profit or loss	20,415	-
Acquisition of property, plant and equipment	(360,419)	(488,293)
Disposal of property, plant and equipment	903	1,702
Disposal of investment property	99,709	-
Increase in refundable deposits	19	24,128
Acquisition of intangible assets	(1,327)	(10,904)
Decrease in other financial assets	122,250	116,298
(Increase) decrease in other non-current assets	(30,390)	4,208
Increase in prepayments for equipment	(48,397)	(154,591)

**Champion Building Materials Co., Ltd. and Its Subsidiaries**  
**Consolidated Statement of Cash Flows**  
**For the Year Ended December 31 2025 and 2024**

**Unit: NT\$000'**

	<b>2025</b>	<b>2024</b>
Interests received	20,225	24,128
Dividend received	1,094	1,432
<b>Net cash outflow from investment activities</b>	<b>(175,918)</b>	<b>(491,892)</b>
<b>Cash flows from financing activities:</b>		
Increase in short-term borrowings	1,354,994	1,731,263
Decrease in short-term borrowings	(969,173)	(2,098,036)
Proceeds from long-term debt	-	1,390,820
Repayment of long-term debt	(70,000)	(899,766)
Increase in guarantee deposits received	-	(451)
Repayment of lease principals	(36,239)	(37,072)
Distribution of Cash Dividends	(386,516)	-
Acquisition of treasury stock	-	(46,592)
<b>Net cash (outflows) inflows from financing activities</b>	<b>(106,934)</b>	<b>40,166</b>
Effects of changes in exchange rate on cash and cash equivalents	(20,698)	7,059
(decrease) Increase in cash and cash equivalents for the period	(28,572)	211,888
Opening balance for cash and cash equivalents	1,917,490	1,705,602
Closing balance for cash and cash equivalents	<b>\$ 1,888,918</b>	<b>1,917,490</b>

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

**Champion Building Materials Co., Ltd.**  
**Comparison Table for the Rules of Procedure for Shareholders' Meeting**

No.	After amendment	Before amendment	Description
Article3	<p>Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.</p> <p><b><u>The Company shall, thirty days prior to an Annual General Meeting or fifteen days prior to an Extraordinary General Meeting, prepare electronic files of the meeting notice, proxy forms, and explanatory materials regarding proposals for ratification, discussion, and the election or dismissal of directors, as well as the shareholders' meeting agenda handbook and supplemental meeting materials, and transmit them to the Market Observation Post System (MOPS). At least fifteen days prior to the date of the shareholders' meeting, the Company shall have the current meeting agenda handbook and supplemental materials available for shareholders' review at any time, and these shall be displayed at the Company and its designated professional stock affairs agent.</u></b></p> <p><b><u>The Company shall provide the aforementioned agenda handbook and supplemental materials for shareholders' reference on the day of the meeting through the following means:</u></b></p> <p><b><u>1.For physical shareholders' meetings: Distributed on-site at the meeting venue.</u></b></p> <p><b><u>2.For hybrid (video-aided) shareholders' meetings: Distributed on-site at the meeting venue and transmitted as</u></b></p>	<p>Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.</p> <p><b><u>An agenda handbook shall be furnished when convening of a regular shareholders' meeting, and notices for convening such meeting shall be submitted to each shareholder 30 days prior to the date of such meeting and notices to shareholders holding less than 1000 registered shares may be made by public announcements on MOPS 30 days prior to the special shareholders' meeting; notice for convening of a special shareholders' meeting shall be submitted to each shareholder 15 days prior to the date of such meeting, and notices to shareholders holding less than 1000 registered shares may be made by public announcements on MOPS 15 days prior to the special shareholders' meeting.</u></b></p> <p>(Skip)</p> <p>A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda.</p> <p>A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided</p>	<p>Amended in accordance with Announcement No. 1150002970 of the Taiwan Stock Exchange Governance Department.</p>

No.	After amendment	Before amendment	Description
	<p><b><u>electronic files to the virtual meeting platform.</u></b> (Skip)</p> <p><b><u>Where the reasons for convening the shareholders' meeting state a full re-election of directors and specify the date of assumption of office, the said date of assumption of office shall not be altered via an extraordinary motion or any other means during the same meeting after the re-election is completed.</u></b></p> <p>A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda.<b><u>In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.</u></b></p> <p>A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.</p> <p>In addition, the Company shall, prior to the book closure date before the Annual General Meeting, announce the acceptance of shareholder proposals, <b><u>the written or electronic submission</u></b></p>	<p>procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.<b><u>In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.</u></b></p> <p>Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days. Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.</p> <p>(Skip)</p>	

No.	After amendment	Before amendment	Description
	<p><b>methods</b>, the location for acceptance, and the acceptance period; such period shall not be less than ten days.</p> <p>Shareholder-submitted proposals are limited to 300 words, and no <b>proposal</b> containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.</p> <p>(Skip)</p>		
Article4	<p>(Skip)</p> <p><b><u>Should the shareholder decide to attend a shareholders' meeting online, personally or exercise voting rights in writing or using electronic means after a proxy form has been received by the Company, a written notice must be sent to the Company by no later than two days before the meeting commences to withdraw the proxy arrangement. If the shareholder fails to withdraw proxy arrangement before the due date, vote of the proxy attendant shall prevail.</u></b></p>	(Skip)	Amended in accordance with Announcement No. 1150002970 of the Taiwan Stock Exchange Governance Department.
Article5	<p>The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.</p> <p><b><u>Independent directors' opinions shall be fully taken into consideration when choosing the meeting venue and time.</u></b></p>	<p>The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.</p>	Amended in accordance with Announcement No. 1150002970 of the Taiwan Stock Exchange Governance Department.
Article6	<p><b><u>The meeting advice must specify details such as meeting check-in time, venue, and important notes where relevant for the shareholders, solicitors, and proxy agents (hereinafter together referred to as the shareholders).</u></b></p> <p><b><u>Admission of meeting participants shall begin at least 30 minutes before the</u></b></p>	<p>The Company shall furnish <b><u>the attending shareholders and their proxies (collectively, "shareholders")</u></b> with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.</p> <p>The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card,</p>	Amended in accordance with Announcement No. 1150002970 of the Taiwan Stock Exchange Governance Department.

No.	After amendment	Before amendment	Description
	<p><b><u>meeting commences. The reception area must be clearly labeled and stationed with competent personnel.</u></b></p> <p><b><u>Shareholders shall attend shareholders' meetings by presenting a valid attendance card, sign-in card, or other document of similar nature. The Company may not request shareholders to provide additional supporting documents beyond those specified in advance. Proxy solicitors shall carry identification documents for verification purposes.</u></b></p> <p>The Company shall furnish with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.</p> <p>The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.</p> <p>(Skip)</p>	<p>speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.</p> <p><b><u>Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</u></b></p> <p>(Skip)</p>	
Article7	<p>(Skip)</p> <p><b><u>The chairperson referred to in the preceding paragraph shall be a director who has held such position for more than six months and possesses sufficient knowledge of the Company's financial and business conditions. Where the chairperson is a representative of a corporate director, the same shall apply.</u></b></p> <p><b><u>For a shareholders' meeting convened by the Board of Directors, it is advisable that the Chairman of the Board preside over the meeting in person, that a majority of the directors attend the meeting in person, and that at least one member of each functional committee</u></b></p>	<p>(Skip)</p> <p>For shareholders' meetings convened by the Board of Directors, it is advisable that a majority of the directors attend the meeting.</p> <p>(Skip)</p>	

No.	After amendment	Before amendment	Description
	<p><b><u>attend the meeting. The attendance of the foregoing persons shall be recorded in the minutes of the shareholders' meeting.</u></b></p> <p>(Skip)</p>		
Article8	<p>The Company shall make <b><u>uninterrupted</u></b> audio and video recordings of the shareholder registration process, <b><u>the proceedings of the meeting, and the voting and vote-counting procedures, commencing from the time shareholders begin registering for attendance at the meeting.</u></b></p> <p><b><u>The audio and video recordings referred</u></b> to in the preceding paragraph shall be retained for at least one year. However, where a shareholder institutes legal proceedings pursuant to Article 189 of the Company Act, such recordings shall be retained until the conclusion of such proceedings.</p>	<p>The Company shall make an uninterrupted audio <b><u>or</u></b> video recording of the proceedings of the <b><u>shareholders meeting</u></b>. The recorded materials shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</p>	<p>Amended in accordance with Announcement No. 1150002970 of the Taiwan Stock Exchange Governance Department.</p>
Article9	<p>Attendance at shareholders' meetings shall be calculated based on the number of shares represented. The number of shares represented at the meeting shall be calculated based on the attendance book and sign-in cards submitted, <b><u>together with the number of shares for which voting rights are exercised in writing or by electronic means.</u></b></p> <p>When the scheduled meeting time has arrived, the chairperson shall call the meeting to order and announce the number of shares represented by shareholders with no voting rights and the number of shares represented by shareholders present at the meeting.</p> <p>(Skip)</p>	<p>Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in. The chair shall call the meeting to order at the appointed meeting time.</p> <p>When the scheduled meeting time has arrived, the chairperson shall call the meeting to order and announce the number of shares represented by shareholders with no voting rights and the number of shares represented by shareholders present at the meeting.</p> <p>(Skip)</p>	<p>Amended in accordance with Announcement No. 1150002970 of the Taiwan Stock Exchange Governance Department.</p>
Article13	<p>(Skip)</p> <p>When the Company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may</p>	<p>(Skip)</p> <p>When the Company holds a shareholder meeting, it shall adopt exercise of voting</p>	<p>Amended in accordance with Announcement No. 1150002970</p>

No.	After amendment	Before amendment	Description
	<p>adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting. <b><u>For this reason, the Company should avoid proposing special motions or amendments to the original motion where possible.</u></b></p> <p>(Skip)</p> <p>Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed <b><u>by a poll of the shareholders.</u></b> After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected,</p>	<p>rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.</p> <p>(Skip)</p> <p>Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote on each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</p> <p>Vote monitoring and counting personnel</p>	<p>of the Taiwan Stock Exchange Governance Department.</p>

No.	After amendment	Before amendment	Description
	<p>and no further voting shall be required. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.</p> <p><b><u>Where a proposal for the election of directors is submitted and the number of candidates exceeds the number of positions to be filled, where a proposal for the dismissal of directors is submitted, or where proposals referred to in Article 185 or Article 316 of the Company Act, Articles 18, 27, 29, or 35 of the Business Mergers and Acquisitions Act, Article 24, Paragraph 2, Subparagraph 1, or Article 26, Paragraph 2, Subparagraph 1 of the Financial Holding Company Act are submitted, it is advisable that the chairperson appoint a lawyer, certified public accountant, or notary public to serve as scrutineer.</u></b></p> <p><b><u>A person appointed by the chairperson pursuant to the preceding paragraph may not serve as personnel responsible for matters relating to the voting process, nor may such person be a director, managerial officer, or employee of the Company or its affiliates.</u></b></p> <p><b><u>The scrutineer shall supervise the voting and vote-counting procedures and shall sign the tabulation of voting results.</u></b></p> <p><b><u>Where a scrutineer is appointed pursuant to Paragraph 8, the minutes of the shareholders' meeting shall record the scrutineer's name and title.</u></b></p> <p><b><u>Vote counting for resolutions or elections at a shareholders' meeting shall be conducted openly</u></b> at the meeting venue. <b><u>Upon completion of the vote count</u></b>, the voting results, including the number of voting rights exercised,</p>	<p>for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.</p> <p>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p>	

No.	After amendment	Before amendment	Description
	shall <b><u>be announced on-site immediately</u></b> and recorded in writing.		
Article15	<p>Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be prepared and distributed in <b><u>electronic form.</u></b></p> <p><b><u>The Company may distribute the meeting minutes referred to in the preceding paragraph by uploading the same to the MOPS as a public announcement.</u></b></p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of the Company.</p>	<p>Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in <b><u>public announcement.</u></b></p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of the Company.</p> <p><b><u>Where the aforesaid method of resolution is made by the chair inquiring opinions of shareholders, and no shareholder has shown any objection, "all attending shareholders have been inquired by the chair, followed by passage without objection" shall be stated; however, in case there is objection by a shareholder, the voting through ballots and number of voting rights and its proportion for adoption shall be stated.</u></b></p>	Amended in accordance with Announcement No. 1150002970 of the Taiwan Stock Exchange Governance Department.
Article16	On the date of a shareholders' meeting, the Company shall prepare, in the prescribed format, a statistical statement setting forth the number of shares solicited by proxy solicitors, the number of shares represented by proxy holders,	On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation <b><u>and</u></b> the number of shares represented by	Amended in accordance with Announcement No. 1150002970 of the Taiwan Stock Exchange Governance

No.	After amendment	Before amendment	Description
	<p>and the number of shares represented by shareholders attending the meeting <u>by means of written or electronic voting</u>, and shall disclose the same clearly at the meeting venue.</p> <p>(Skip)</p>	<p>proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.</p> <p>(Skip)</p>	<p>Department.</p>

# **Champion Building Materials Co. Ltd.**

## **Rules of Procedure for Shareholders' Meeting**

Article 1 To establish a strong governance system and sound supervisory capabilities for the Company's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2 The rules of procedures for the Company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3 Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.

The Company shall, thirty days prior to an Annual General Meeting or fifteen days prior to an Extraordinary General Meeting, prepare electronic files of the meeting notice, proxy forms, and explanatory materials regarding proposals for ratification, discussion, and the election or dismissal of directors, as well as the shareholders' meeting agenda handbook and supplemental meeting materials, and transmit them to the Market Observation Post System (MOPS). At least fifteen days prior to the date of the shareholders' meeting, the Company shall have the current meeting agenda handbook and supplemental materials available for shareholders' review at any time, and these shall be displayed at the Company and its designated professional stock affairs agent.

The Company shall provide the aforementioned agenda handbook and supplemental materials for shareholders' reference on the day of the meeting through the following means:

1. For physical shareholders' meetings: Distributed on-site at the meeting venue.
2. For hybrid (video-aided) shareholders' meetings: Distributed on-site at the meeting venue and transmitted as electronic files to the virtual meeting platform.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors or supervisors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

Where the reasons for convening the shareholders' meeting state a full re-election of directors and specify the date of assumption of office, the said date of assumption of office shall not be altered via an extraordinary motion or any other means during the same meeting after the re-election is completed.

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

A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

In addition, the Company shall, prior to the book closure date before the Annual General Meeting, announce the acceptance of shareholder proposals, the written or electronic submission methods, the location for acceptance, and the acceptance period; such period shall not be less than ten days.

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

Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4 For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

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

Should the shareholder decide to attend a shareholders' meeting online, personally or exercise voting rights in writing or using electronic means after a proxy form has been received by the Company, a written notice must be sent to the Company by no later than two days before the meeting commences to withdraw the proxy arrangement. If the shareholder fails to withdraw proxy arrangement before the due date, vote of the proxy

attendant shall prevail.

Article 5 The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.  
Independent directors' opinions shall be fully taken into consideration when choosing the meeting venue and time.

Article 6 The meeting advice must specify details such as meeting check-in time, venue, and important notes where relevant for the shareholders, solicitors, and proxy agents (hereinafter together referred to as the shareholders).

Admission of meeting participants shall begin at least 30 minutes before the meeting commences. The reception area must be clearly labeled and stationed with competent personnel.

Shareholders shall attend shareholders' meetings by presenting a valid attendance card, sign-in card, or other document of similar nature. The Company may not request shareholders to provide additional supporting documents beyond those specified in advance. Proxy solicitors shall carry identification documents for verification purposes.

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

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

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

Article 7 If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

The chairperson referred to in the preceding paragraph shall be a director who has held such position for more than six months and possesses sufficient knowledge of the Company's financial and business conditions. Where the chairperson is a representative of a corporate director, the same shall apply.

For a shareholders' meeting convened by the Board of Directors, it is advisable that the Chairman of the Board preside over the meeting in person, that a majority of the directors attend the meeting in person, and that at least one member of each functional committee attend the meeting. The attendance of the foregoing persons shall be recorded in the

minutes of the shareholders' meeting.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting.

Article 8 The Company shall make uninterrupted audio and video recordings of the shareholder registration process, the proceedings of the meeting, and the voting and vote-counting procedures, commencing from the time shareholders begin registering for attendance at the meeting.

The audio and video recordings referred to in the preceding paragraph shall be retained for at least one year. However, where a shareholder institutes legal proceedings pursuant to Article 189 of the Company Act, such recordings shall be retained until the conclusion of such proceedings.

Article 9 Attendance at shareholders' meetings shall be calculated based on the number of shares represented. The number of shares represented at the meeting shall be calculated based on the attendance book and sign-in cards submitted, together with the number of shares for which voting rights are exercised in writing or by electronic means.

When the scheduled meeting time has arrived, the chairperson shall call the meeting to order and announce the number of shares represented by shareholders with no voting rights and the number of shares represented by shareholders present at the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10 If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may

not be changed without a resolution of the shareholders meeting.

Where a shareholders' meeting is convened by a person having convening authority other than the Board of Directors, the provisions of the preceding paragraph shall apply mutatis mutandis.

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

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 11 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

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

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

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

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

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

Article 12 Voting at a shareholders meeting shall be calculated based the number of shares.

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

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

any other shareholder.

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

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

Article 13 Each shareholder shall be entitled to one voting right for each share held, except for shares that are subject to restrictions or are non-voting shares as specified in Article 179, Paragraph 2 of the Company Act.

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

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

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

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

number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

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

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. Where a proposal for the election of directors is submitted and the number of candidates exceeds the number of positions to be filled, where a proposal for the dismissal of directors is submitted, or where proposals referred to in Article 185 or Article 316 of the Company Act, Articles 18, 27, 29, or 35 of the Business Mergers and Acquisitions Act, Article 24, Paragraph 2, Subparagraph 1, or Article 26, Paragraph 2, Subparagraph 1 of the Financial Holding Company Act are submitted, it is advisable that the chairperson appoint a lawyer, certified public accountant, or notary public to serve as scrutineer.

A person appointed by the chairperson pursuant to the preceding paragraph may not serve as personnel responsible for matters relating to the voting process, nor may such person be a director, managerial officer, or employee of the Company or its affiliates.

The scrutineer shall supervise the voting and vote-counting procedures and shall sign the tabulation of voting results.

Where a scrutineer is appointed pursuant to Paragraph 8, the minutes of the shareholders' meeting shall record the scrutineer's name and title.

Vote counting for resolutions or elections at a shareholders' meeting shall be conducted openly at the meeting venue. Upon completion of the vote count, the voting results, including the number of voting rights exercised, shall be announced on-site immediately and recorded in writing.

Article 14 The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected, and the names of directors and supervisors not elected and number of votes they received. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 15 Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be prepared and distributed in electronic form.

The Company may distribute the meeting minutes referred to in the preceding paragraph by uploading the same to the MOPS as a public announcement.

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

Article 16 On the date of a shareholders' meeting, the Company shall prepare, in the prescribed format, a statistical statement setting forth the number of shares solicited by proxy solicitors, the number of shares represented by proxy holders, and the number of shares represented by shareholders attending the meeting by means of written or electronic voting, and shall disclose the same clearly at the meeting venue.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or GreTai Securities Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17 Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

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

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

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

Article 18 When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

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

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

Article 19 These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

## Appendices

### **Champion Building Materials Co. Ltd.**

#### **Information of Directors**

The statutory aggregate number of shares held by all directors is 19,520,194 shares, and the shareholding by directors as of June 17, 2026 is as follows:

Common Shares	Name	Date Elected	Term	Current Number of Shares Held	
				Number of Shares	Shareholding Ratio
Chairman	Tai Yu Investment Co., Ltd. Representative LIN, JUNG-TE	July 19, 2024	3 Year	17,142,759	4.39%
Director	Tai Yu Investment Co., Ltd. Representative LIN, YOU-YU	July 19, 2024	3 Year	17,142,759	4.39%
Director	Hua Yi Industrial Co., Ltd. Representative Lin, He-Cun	July 19, 2024	3 Year	12,923,500	3.31%
Independent Director	Kung, Shu-Chang	July 19, 2024	3 Year	0	0%
Independent Director	Yang, Ming-Hsun	July 19, 2024	3 Year	0	0%
Independent Director	Chen, Mei-Hua	July 19, 2024	3 Year	0	0%
Independent Director	Wu, Heng-Yi	July 19, 2024	3 Year	0	0%
Subtotal of Shareholding by All Directors				30,066,259	7.70%

The total number of shares held by all directors is 30,066,259 shares, accounting for 7.70% of issued shares.

Note 1: The above list is prepared in accordance with entries on shareholders' register as of book closure date of this General Shareholders' Meeting.

Note 2: The Audit Committee of the Company was established on June 26, 2018 to replace the function of supervisors.

# **Champion Building Materials Co. Ltd.**

## **Articles of Incorporation**

### Chapter 1 General Provisions

Article 1 The Company is incorporated in accordance with the Company Act and registered under the business name of 冠軍建材股份有限公司 (Champion Building Materials Co. Ltd.) .

Article 2 The Company's scope of services is set out hereunder:  
C901010 Ceramic and Ceramic Products Manufacturing  
C901070 Cutting, Shaping and Finishing of Stone  
H701040 Specific Area Development  
H701060 New Towns, New Community Development  
C901060 Manufacture of Refractory Products  
C802990 Other Chemical Products Manufacturing  
ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1 The Company may make guarantees externally with related companies or companies within the identical scope of business as the needs of the business may require, and the total amount of the Company's re-investments may be more than 40 percent of the paid-in capital and shall not be restricted by regulations as provided by Article 13 of the Company Act.

Article 3 The Company shall have its head office in Miaoli County, the Republic of China, and may, pursuant to a resolution adopted at the meeting of the Board of Directors, set up branch offices or plants within or outside the territory of the Republic of China when deemed necessary.

Article 4 (Deleted)

### Chapter 2 Shares

Article 5 The total amount of the Company's capital is NTD 5,000,000,000, which is divided into 500,000,000 shares, with a value per share of NTD 10, to be issued by installments by the Board of Directors under authorization. Among the overall shares contains 5 million shares retained by the Company for share subscription warrant, or share subscription warrants associated with preferred shares or corporate bonds. The Company may obtain the consent of at least two-thirds of the voting rights present at the most recent shareholders meeting attended by shareholders representing a majority of total issued shares before transferring shares to employees at less than the average actual share repurchase price or issuing employee stock subscription warrant at less than market subscription price.

Article 5-1 (Deleted)

Article 6 The Company may be exempted from printing its share certificate, and shall register the issued shares with a centralized securities depository enterprise.

Article 7 Stock affairs of the Company stocks in terms of stock assignment, pledge of rights, report on loss, inheritance, gifting and loss of stamp, change or address change and other relevant affairs shall be conducted in accordance with the “Regulations Governing the Administration of Shareholder Services of Public Companies” promulgated by competent authority and other relevant laws and regulations, except as otherwise provided in regulations or securities provisions.

### Chapter 3 Shareholders’ Meeting

Article 8 Shareholders’ meetings of the Company are of two kinds: (1) regular meeting, which shall be convened at least once a year by the Board of Directors according to the law within six months after close of each fiscal year; and (2) special meeting, which may be convened when necessary following applicable regulations.

Article 9 A shareholder is in principle having one voting right for each share held, and the fractional shares under one share will not be granted voting rights. The shares held by the Company do not entitle the Company voting rights as provided by laws and regulations.

### Chapter 4 Director

Article 10 The Company shall have 7 directors to be elected at the shareholders meeting from among the individuals of legal capacity, with the term of three years. Total number of the aforesaid directors shall contain no fewer than three independent directors and shall not be lower than one-fifth of all directors. A nomination system as provided in the Article 192-1 of the Company Act is adopted in the Company’s election of directors, whose nomination method shall be handled in accordance with Company Act and other relevant laws and regulations. All Directors shall be eligible for re-election. Concerning professional qualification, shareholding, limitations on concurrent roles, recognition of independence, nomination method and election methods as well as other matters of compliance shall be conducted in accordance with relevant rules. Total number of shares held by all directors shall be conducted in accordance with “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”.

The Audit Committee shall be formed by all independent directors of the Company, whose number shall not be lower than three, and shall contain one convener as well as at least one independent director with expertise in accounting or finance.

Article 10-1 The Company may have its Board of Directors under authorization obtain liability insurance for directors with respect to liabilities resulting from exercising their duties during their terms of directorship to reduce the risks of material loss to the Company and shareholders due to violation.

Article 11 The directors shall elect among themselves one director to serve as Chairman and one director as Vice Chairman. The Chairman shall represent the

Company externally and internally serve as chair of the shareholders' meetings and Board of Directors meetings and conduct all affairs in accordance with laws and regulations, articles of incorporation and resolutions thereof. Where the Chairman is on leave or for any reason unable to exercise the powers of the chair, the Vice Chairman shall serve as Chair; in case the Vice Chairman is also on leave or for any reason unable to exercise the powers of the chair, the Chairman shall appoint one of the directors to act as chair. Where the Chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.

Article 11-1

A Board of Directors shall meet at least quarterly.

A notice specifying the reason for convening a Board meeting shall be sent to all Directors seven (7) days before the scheduled meeting day; provided, however, that a Board meeting may be convened on short notice in the event of emergency. The notice for calling a meeting of the directors may be effected by means of writing, electronic email or facsimile.

Article 12

The Board of Directors is composed by directors of the Company, with duties as follows:

1. Determination and amendments of various important provisions and Articles of Incorporation.
2. Decisions and amendments of business plans of the Company.
3. Review on budget and final accounts.
4. Proposals on earnings distribution or covering of losses.
5. Approval of re-investments and loans to other companies and mortgage of assets.
6. Proposal and Approval of Purchases and Disposition of Important Properties and Real Estate.
7. Decisions on Important Appointment of Roles
8. In case endorsements, guarantees, and acceptance exceed total credit as set forth by the Board of Directors, such conduct shall be reported to the Board of Directors for approval.
9. Establishment, adjustment and cancellation of important organization of the Company, and decisions on other important matters.
10. Other functionalities as entitled in accordance with laws and regulations and the shareholders' meeting.

Article 13

Where a director is unable to attend a Board of Directors meeting, a director may appoint another director to attend a meeting of the board of directors in his/her behalf ; however, a director may accept the appointment to act as the proxy of one other director only.

Article 14

The Company may establish other functional committees in accordance with relevant laws and regulations.

Article 15

Compensation to the directors of the Company shall be determined based on the director's engagement in the Company's operations and value of his/her contribution by the Board of Directors under authorization in accordance with industry practices. The Board of Directors may make discretionary payments of transportation allowances following resolutions under industry practice and at general level.

## Chapter 5 Managerial Officers

Article 16 The Company may have one general manager and one or more managerial officers for assisting the general manager in handling various affairs. The general manager shall take comprehensive managements over all affairs of the Company under the order of the Board of Directors. Appointment and dismissal of the general manager shall be in compliance with relevant laws and regulations.

## Chapter 6 Accounting

Article 17 A fiscal year of the Company starts from January 1<sup>st</sup> of each year and ends on December 31<sup>st</sup> of the same year.

Article 18 After the close of each fiscal year, the following reports and statements shall be prepared by the Board of Directors and shall be submitted to the Audit Committee for review and obtain report prepared by the Committee 30 days prior to the date of shareholders' meeting before submitted to the regular meeting of shareholders for acceptance:

1. Report on Operations.
2. Financial Statements.
3. Proposals Concerning Appropriation or Net Profits of Making Up.

Article 19 If there is a profit for the Company at the end of each fiscal year, a proportion at 3~5% of the profit shall be set aside as employees' compensation, and a proportion at no more than 1.5% shall be set aside as directors' compensation. However, the Company's accumulated losses shall have been covered first.

The "profit at the end of each fiscal year" as referred to in the preceding paragraph refers to the benefit of the year before tax and deductions of employees' compensation and directors' compensation.

Distribution of employees' compensation and directors' compensation shall be resolved by adoption by a majority of directors in a Board of Directors meeting attended by two-third of all directors, and shall be reported to the shareholders' meeting.

Qualification requirements of employees, including the employees of parents or subsidiaries of the Company meeting certain specific requirements, entitled to receive employees' compensation in shares or cash in accordance with the provision set furth by the Board of Directors.

Article 19-1 Where there are earnings in the final accounts in each fiscal year, the Company shall first withhold taxes, make up losses in the preceding years, and then set aside 10% legal reserve, except when the legal reserve reaches the amount of the Company's paid-in capital; in addition, where the special reserve is set aside or reversed under applicable laws and regulations or provisions by competent authorities, except for distribution of earnings of shares, in case there are still earnings, such earnings will be combined with

undistributed earnings and proposed to the shareholders' meeting for resolution on distribution as proposed by the Board of Directors.

Article 19-2 As the Company is currently in a mature industry, has stable profitability and sound financial structure, for sustainable management and long-term development as well as the Company's future capital needs and long-term operation plans, the Board of Directors may, in accordance with current operation status with considerations of shareholder's equity, balanced dividend policies and capital needs and planning, propose earnings distribution for submission to the shareholders' meeting for resolution. The earnings distribution may be made in cash dividend or share dividend; however, the proportion of stock dividend distribution may not be more than 50% of the total dividend (50%).

Article 20 ■ In regard to all matters not provided for in these Articles of Incorporation, the Company Act shall govern.

## Chapter 7 Additions

Article 21 These Articles of Incorporation are agreed to and signed on November 2, 1972; 1<sup>st</sup> Amendment was made on April 2, 1974; 2<sup>nd</sup> Amendment was made on January 2, 1975; 3<sup>rd</sup> Amendment was made on December 24, 1982; 4<sup>th</sup> Amendment was made on June 23, 1983; 5<sup>th</sup> Amendment was made on May 9, 1984; 6<sup>th</sup> Amendment was made on January 5, 1986; 7<sup>th</sup> Amendment was made on May 22, 1989; 8<sup>th</sup> Amendment was made on November 28, 1989; 9<sup>th</sup> Amendment was made on March 3, 1990; 10<sup>th</sup> Amendment was made on April 25, 1990; 11<sup>th</sup> Amendment was made on May 15, 1990; 12<sup>th</sup> Amendment was made on April 2, 1991; 13<sup>th</sup> Amendment was made on December 7, 1991; 14<sup>th</sup> Amendment was made on March 25, 1992; 15<sup>th</sup> Amendment was made on April 22, 1993; 16<sup>th</sup> Amendment was made on March 23, 1994; 17<sup>th</sup> Amendment was made on April 6, 1995; 18<sup>th</sup> Amendment was made on May 23, 1996; 19<sup>th</sup> Amendment was made on May 24, 1997; 20<sup>th</sup> Amendment was made on May 15, 1998; 21<sup>st</sup> Amendment was made on May 26, 2000; 22<sup>nd</sup> Amendment was made on June 15, 2001; 23<sup>rd</sup> Amendment was made on June 14, 2002; 24<sup>th</sup> Amendment was made on June 6, 2003; 25<sup>th</sup> Amendment was made on June 23, 2006; 26<sup>th</sup> Amendment was made on June 15, 2007; 27<sup>th</sup> Amendment was made on June 25, 2008; 28<sup>th</sup> Amendment was made on June 16, 2009; 29<sup>th</sup> Amendment was made on June 10, 2010; 30<sup>th</sup> Amendment was made on June 28, 2011; 31<sup>st</sup> Amendment was made on June 18, 2014; 32<sup>nd</sup> Amendment was made on June 16, 2015; 33<sup>rd</sup> Amendment was made on June 28, 2016; 34<sup>th</sup> Amendment was made on June 26, 2018; 35<sup>th</sup> Amendment was made on June 16, 2020.

# **Champion Building Materials Co. Ltd.**

## **Rules of Procedure for Shareholders' Meeting**

- Article 1 To establish a strong governance system and sound supervisory capabilities for the Company's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 2 The rules of procedures for the Company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.
- Article 3 Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.
- An agenda handbook shall be furnished when convening of a regular shareholders' meeting, and notices for convening such meeting shall be submitted to each shareholder 30 days prior to the date of such meeting and notices to shareholders holding less than 1000 registered shares may be made by public announcements on MOPS 30 days prior to the special shareholders' meeting; notice for convening of a special shareholders' meeting shall be submitted to each shareholder 15 days prior to the date of such meeting, and notices to shareholders holding less than 1000 registered shares may be made by public announcements on MOPS 15 days prior to the special shareholders' meeting.
- The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.
- Election or dismissal of directors or supervisors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.
- A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda.

A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

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

Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4 For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

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

Article 5 The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

Article 6 The Company shall furnish the attending shareholders and their proxies (collectively, "shareholders") with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

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

Article 7 If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

For shareholders' meetings convened by the Board of Directors, it is advisable that a majority of the directors attend the meeting.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting.

Article 8 The Company shall make an uninterrupted audio or video recording of the proceedings of the shareholders meeting. The recorded materials shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 9 Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in.

When the scheduled meeting time has arrived, the chairperson shall call the meeting to order and announce the number of shares represented by shareholders with no voting rights and the number of shares represented by shareholders present at the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such

postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10 If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

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

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 11 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

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

Except with the consent of the chair, a shareholder may not speak more than

twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

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

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

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

Article 12 Voting at a shareholders meeting shall be calculated based the number of shares. With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

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

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

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

Article 13 Each shareholder shall be entitled to one voting right for each share held, except for shares that are subject to restrictions or are non-voting shares as specified in Article 179, Paragraph 2 of the Company Act.

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

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written

declaration of intent to the Company before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

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

Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote on each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

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

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

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

Article 14 The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected, and the names of directors and supervisors not elected and number of votes they received.

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

Article 15 Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in public announcement.

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

Where the aforesaid method of resolution is made by the chair inquiring opinions of shareholders, and no shareholder has shown any objection, "all attending shareholders have been inquired by the chair, followed by passage without objection" shall be stated; however, in case there is objection by a shareholder, the voting through ballots and number of voting rights and its proportion for adoption shall be stated.

Article 16 On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or GreTai Securities Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17 Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

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

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

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

Article 18 When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

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

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

Article 19 These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.