

STOCK CODE: 8043

Honey Hope Honest Enterprise Co., Ltd.

2025 Annual Shareholders' Meeting

Meeting Agenda

Time: 9:00 a.m. on Wednesday, June 11, 2025

Place: 2F., No. 1, Wuquan Rd., Wugu Dist., New Taipei City, Taiwan, R.O.C.
(New Taipei City Exhibition Hall)

Type of meeting: physical meeting

Disclaimer

This is a translation of the agenda for the 2025 Annual Shareholders' meeting ("The Agenda") of Honey Hope Honest Enterprise Co., Ltd. ("The Company"). This translation is intended for reference only and no other purpose. The Company hereby disclaims any and all liabilities whatsoever for the translation. The Chinese text of the agenda shall govern any and all matters related to the interpretation of the subject matter stated herein.

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I. Meeting Procedure

Honey Hope Honesty Enterprise Co., Ltd.

Procedure for the 2025 Annual Shareholders' Meeting

1. Call Meeting to Order
2. Chairman's Address
3. Report Items
4. Adoption Items
5. Discussion Items
6. Extraordinary Motions
7. Meeting Adjourned

II. Meeting Agenda

Honey Hope Honesty Enterprise Co., Ltd.
2025 Annual Shareholders' Meeting Agenda

Time: 9:00 a.m. on Wednesday, June 11, 2025

Place: 2 F., No. 1, Wuquan Rd., Wugu Dist., New Taipei City, Taiwan,
R.O.C. (New Taipei City Exhibition Hall)

1. Call Meeting to Order
2. Chairman's Address
3. Report Items
 - (1) To report the business of 2024.
 - (2) Audit Committee's Review Report on the 2024 financial statements.
 - (3) To report distribution of 2024 employees' and directors' compensation.
 - (4) To report distribution of 2024 earnings in cash dividends.
 - (5) To report amendments of the Codes of Ethical Conduct.
4. Adoption Items
 - (1) To adopt the 2024 business report and financial statements.
 - (2) To adopt the 2024 earnings distribution proposal.
5. Discussion Items
 - (1) To approve amendments of the Articles of Incorporation.
6. Extraordinary Motions
7. Meeting Adjourned

III. Report Items

1. To report the business of 2024.

Explanation: 2024 Business Report is attached herein as Attachment 1, please refer to pages 7~8.

2. Audit Committee's Review Report on the 2024 financial statements.

Explanation: Audit Committee's Review Report is attached herein as Attachment 2, please refer to page 9.

3. To report distribution of 2024 employees' and directors' compensation.

Explanation:

- (1) The profit of the Company in 2024 was NT\$152,243,539 (which means income before tax excluding the compensation distributable for employees and the Directors, and covering the accumulated losses). The distribution of 2024 employees' and directors' compensation was NT\$14,204,322 and NT\$2,709,935 respectively, and distributed in cash.
- (2) There was no discrepancy between the amount of distribution and the amount of recognized expenses in 2024.

4. To report distribution of 2024 earnings in cash dividends.

Explanation:

- (1) Pursuant to Article 20 of the Company's Articles of Incorporation, the Board of Directors is authorized to make a resolution to distribute bonuses, capital reserve and legal reserve in whole or in part in cash, and report it to the shareholders' meeting.
- (2) The Board of Directors allocates NT\$63,925,736 as the shareholder's cash dividends. Cash dividend is NT\$0.8 per share. The cash dividends paid to each shareholder will be calculated to whole NT dollar and round it to the nearest dollar. It is proposed that any difference will be booked as other income or expense of the Company.
- (3) It is proposed that the Board of Directors is authorized to determine the dividend date and other relevant issues.

5. To report amendments of the Codes of Ethical Conduct.

Explanation: Some provisions of the articles of the Codes of Ethical Conduct are amended for the needs of the Company. The comparison table is attached herein as Attachment 3, please refer to pages 10~14.

IV. Adoption Items

1. To adopt the 2024 business report and financial statements.

(Proposed by the Board of Directors)

Explanation:

- (1) The 2024 Financial Statements, including Consolidated and Parent Company Only Financial Statements, have been audited and attested by the independent auditors, Yeh, Tsui-Maio and Tu, Chan-Yuan of PwC Taiwan. The foresaid Financial Statements and Business Report have been approved by the Board of Directors and examined by the Audit Committee.
- (2) The 2024 Business Report, Independent Auditors' Report and Financial Statements are attached herein as Attachment 1 (please refer to pages 7~8), 4 and 5 (please refer to pages 15-43).

Resolution:

2. To adopt the 2024 earnings distribution proposal.

(Proposed by the Board of Directors)

Explanation:

- (1) The 2024 earnings distribution proposal was approved by the Board of Directors.
- (2) 2024 net profit after tax of the Company is NT\$121,377,398. The 2024 earnings distribution Table is proposed in accordance with Articles of Incorporation and attached herein as Attachment 6 (please refer to page 44).

Resolution:

V. Discussion Items

1. To approve amendments of the Articles of Incorporation.

(Proposed by the Board of Directors)

Explanation:

- (1) It is proposed to amend parts of the articles of the Articles of Incorporation for the Company Act's requirements and the practical situation and needs of the Company.
- (2) The comparison table is attached herein as Attachment 7, please refer to pages 45~46.

Resolution:

VI. Extraordinary Motions

Meeting Adjourned

VII. Attachment

Attachment 1

Business Report

Dear Shareholders:

Thank you all for being here with us. On behalf of the Company, I would like to express my sincere gratitude for your support over the past year! Looking back in 2024, the terminal inventory liquidation has drawn to an end, inventory replenishment has warmed up, and AI server shipments have gradually grown, as well as Generative artificial intelligence (Gen AI), especially on mobile phones and computers, has attracted a lot of attention with the AI boom driven by ChatGPT, pushing up the terminal demand for consumer electronics. But the consolidated revenue of NT\$4,688,007 thousand dollars in 2024 represented a 4.05% decline from NT\$4,885,670 thousand dollars in 2023, due to the supplier's adjustment of its sales policy. Despite the consolidated top-line inched down, the consolidated net operating margin in 2024 increased 54.47% to NT\$209,694 thousand dollars from NT\$135,753 thousand dollars in 2023, primarily due to low gross margin caused by inventory liquidation seen in the prior year. Additionally, the consolidated non-operating income and expenses of NT\$148,055 thousand dollars in 2024 increased 307.42% compared to the consolidated non-operating income and expenses of NT\$36,340 thousand dollars in 2023, due to the depreciation of NT dollar, and the disposal of the financial assets. As a result, the consolidated pre-tax net profit of NT\$135,329 thousand dollars in 2024 increased 898.17% compared to the pre-tax net loss of NT\$16,955 thousand dollars in 2023.

In addition to continuing to expand the sales of product in the existing markets, the Company exploited the new market (such as Vietnam, Thailand, and India), and expanded new product lines proactively to grow business opportunities, and enhance competitiveness. The Company did not make public its forecast for 2023, so there is no need to disclose the operating budget performance. However, the overall actual operating conditions and performance are generally in line with the Company's internal operating plan.

The summary of the business plan for 2025, the Company's future development strategy, and the effect of external competition, the legal environment, and the overall business environment are explained as follows:

I. The summary of the business plan for 2025

(I) Business policy

1. Adjust the product mix to expand the market. (Sales of microphones, sensor, E-BIKE controller module, motor design, and GaN power controller module)
2. Plan out to exploit the automotive mechanical industry and AI market actively. (Plan sales for mechanical industry customers)
3. Expand new product lines proactively, and strengthen the relationships with key partners.
4. Expand the layout of the Mainland China and overseas markets, and strengthen the overseas operating model and logistics management.
5. Strengthen technical support skills and endeavor to develop terminal products.
6. Strengthen real-time information management and service system.
7. Strengthen the Company's management mechanisms in order to achieve the goal of efficiency in management and control.

(II) The sales volume forecast and the basis thereof

In 2025, the global economy will face increasing risks due to armed conflicts, geopolitical tensions, Trump's 2.0 tariffs policy uncertainty, trade protectionism, and the tightening of global financial conditions, posing hidden dangers to economic growth. Amid high uncertainty in the global economy, sales volumes in 2025 are expected to remain conservative, and full-year sales volumes will still depend on the state of global economic recovery, changes in the industry's operating environment and how long they will last.

(III) The important production and sales policies

The Company expands its market share with the advantages of existing product lines and high-capacity products, and applies E-Bike controller modules and motors to the pedal assist bike and industrial machinery to expand the penetration of the industrial market and break into the pedal assist bike markets in European and American. The Company will continue to construct and offer more convenient warehousing and logistics system to deliver great customer service to meet customers' needs, and expand its new agency product lines through years of contacts and popularity accumulated in the industry, as well as the advantages of marketing and technical services.

II. The Company's future development strategy

(I) Control, review and analyze costs and expenses in time and effectively.

(II) Strengthen the efficiency of the Company's remote management and improve quality customer service.

(III) Continue to deepen the penetration of existing markets in South China and Central China, exploit the Southeast Asian market, and the market for mid-drive motors used in pedal assist bikes in European and American to expand the market share.

(IV) Expand new product lines about critical parts, such as E-Bike controller modules, microphones, Image Signal Processor (ISP) etc. to improve product integrity.

(V) Integrate the resources of subsidiaries and reinvestment companies, and make overall planning to improve the operational efficiency of the organization.

III. The effect of external competition, the legal environment, and the overall business environment

Due to increasing competition in external environment and price competition from Mainland China and Korean products, the Company controls costs actively, strives to adjust the product mix, develops new niche markets, and expands the market share to maintain and improve the Company's profit.

Emphasizing green environmental protection is the trend relevant for future industrial development. Countries worldwide have successively proposed the targets on net-zero emissions, resulting in downstream suppliers being asked to adjust manufacturing processes. The Company is mainly engaged in the distribution and resale of passive components of Taiyo Yuden, such as Multi-Layer Ceramic Capacitors and inductors. Taiyo Yuden has taken the "Green" into consideration, and adjusted manufacturing processes to comply with the relevant environmental laws and regulations. When expanding new agency product lines, the Company takes the "Green" into consideration, and prudently assess whether a product is compliant with environmental laws and regulations.

The Company, again, sincerely appreciates your long-term support. The Company's management team and employees will continue to optimize the product lines and services, strengthen the cooperative relationships with key partners to create long-term value for shareholders.

The Company wishes you:

Good Health and Prosperity!

Chairman : Lin, Hsun-Min

Managerial Officer : Hsu, Hung-Chih

Chief Accountant : Tsai, Su-Chin

Honey Hope Honesty Enterprise Co., Ltd.
Audit Committee's Review Report

The Board of Directors has prepared the Company's 2024 Business Report, Consolidated Financial Statements, Parent Company Only Financial Statements, and earnings distribution proposal. The foresaid Consolidated Financial Statements and Parent Company Only Financial Statements have been audited and the unqualified audit report has been issued by the independent auditors, Yeh, Tsui-Maio and Tu, Chan-Yuan of PwC Taiwan. The Business Report, Consolidated Financial Statements, Parent Company Only Financial Statements and earnings distribution proposal have been reviewed by the Audit Committee and were deemed to be acceptable. Therefore, the Audit Committee hereby issues this report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Submitted to

The Company's 2025 Regular Shareholders' Meeting

Honey Hope Honesty Enterprise Co., Ltd.

Audit Committee Convenor: Shih, Chun-Mei

March 6, 2025

Honey Hope Honesty Enterprise Co., Ltd.
Comparison Table of Amendments to the Codes of Ethical Conduct

Amended Article	Current Article	Explanation
<p>Article 1 Objective In order to guide the Company's personnel to act in alignment with ethical standards, and help interested parties better understand the ethical standards of the Company, "Codes of Ethical Conduct" ("Code") is promulgated pursuant to "Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies" as a reference to follow.</p>	<p>Article 1 Objective In order to guide <u>directors, supervisors, and managerial officers of the Company (including general managers or their equivalents, assistant general managers or their equivalents, deputy assistant general managers or their equivalents, chief financial and chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of a company)</u> to act in alignment with ethical standards, and help interested parties better understand the ethical standards of the Company, "Codes of Ethical Conduct" ("Code") is promulgated pursuant to "Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies" as a reference to follow.</p>	<p>Added base on the practical needs of the Company.</p>
<p>Article 2 <u>Applicable Subjects</u> The Company and its subsidiaries in which it directly or indirectly holds (herein referred to as the "Company") The directors, managerial officers, and all employees of the Company in the preceding paragraph (herein referred to as the "Personnel")</p>	-	<p>Added base on the practical needs of the Company.</p>
<p>Article 3 <u>Scope of the Code</u> The Personnel while performing his or her duties or conducting any activities associated with his or her duties, including social activities he or she attends and any personal behavior that may influence the image of the Company must comply with the Code.</p>	-	<p>Added base on the practical needs of the Company.</p>
<p>Article 4 Laws and regulations are the bare minimum standards of ethics, and the Personnel shall comply with all applicable laws and regulations of the countries and regions in which they operate and conduct business activities. In the event any variation between the Code and the local laws or regulations, the higher standard must be followed. The Personnel shall inform the HR Department immediately for caught in the contents of the Code of violating laws or regulations. The violation of laws or regulations</p>	-	<p>Added base on the practical needs of the Company.</p>

Amended Article	Current Article	Explanation
<p><u>may have a severe effect on both the Company and the employee who violates the laws or regulations; therefore, any Personnel has any questions shall consult with HR Department.</u></p> <p><u>Article 5 Compliance Matters</u></p> <p><u>1. Prevention of conflicts of interest</u></p> <p>The personnel shall <u>faithfully carry out duties, avoid personal interests interfere or may interfere in the conflict of interest of the company's overall interests, as well as abide by the following principles:</u></p> <p><u>(1) Performing his or her duties in an objective and efficient manner.</u></p> <p><u>(2) Avoiding to take advantage of his or her position in the Company to obtain improper benefits for himself, herself, or his or her spouse, relatives within the third degree of kinship.</u></p> <p><u>(3) When aware/faced with loans of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods between the enterprise at which the Personnel involving himself, herself, or his or her spouse, relatives within the third degree of kinship works or operates and the Company, the personnel shall proactively report the any potential conflict between personal interests and the interests of the company to the Board of Directors (for Directors) or both his or her immediate supervisor and the responsible unit (for personnel other than directors).</u></p> <p><u>(4) After receiving the Personnel's reports regarding a conflict of interest, the Chairman (for directors) or HR Department supervisor (for personnel other than directors) shall discuss with the chief executive of organization to which a party concerned belongs regarding handling principles and report to the Board of Directors or President for approval.</u></p> <p><u>2. Avoiding incentives to pursue personal gain</u></p> <p>The Company shall prevent the Personnel from engaging in any of the following activities:</p> <p><u>(1) Seeking an opportunity to pursue personal gain by using Company property or information or taking advantage of his or her position;</u></p> <p><u>(2) Obtaining personal gain by using Company property or information or taking advantage of his or her position;</u></p> <p><u>(3) Competing with the Company.</u></p>	<p><u>Article 2 Compliance Matters</u></p> <p><u>(1) Prevention of conflicts of interest</u></p> <p>The personnel shall avoid personal interests interfere or may interfere in the conflict of interest of the company's overall interests, as well as abide by the following principles:</p> <p>Performing his or her duties in an objective and efficient manner.</p> <p>Avoiding to take advantage of his or her position in the Company to obtain improper benefits for himself, herself, or his or her spouse, relatives within the third degree of kinship.</p> <p><u>The Company shall pay special attention to loans of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which the aforementioned personnel works. The Company shall establish a policy aimed at preventing conflicts of interest, and shall offer appropriate means for Directors, and managerial officers to voluntarily explain whether there is any potential conflict between them and the Company.</u></p> <p><u>(2) Avoiding incentives to pursue personal gain</u></p> <p>The Company shall prevent the Personnel from engaging in any of the following activities:</p> <p><u>A. Seeking an opportunity to pursue personal gain by using Company property or information or taking advantage of his or her position;</u></p> <p><u>B. Obtaining personal gain by using Company property or information or taking advantage of his or her position;</u></p> <p><u>C. Competing with the Company.</u></p>	<p>Amended base on the practical needs of the Company.</p> <p>The current <u>paragraph (7) and (8)</u> are moved to amended Article 6 and 7.</p>

Amended Article	Current Article	Explanation
<p>When the Company has an opportunity for profit, it is the responsibility of the Personnel to increase the reasonable and lawful benefits that can be obtained by the Company.</p> <p>3. <u>Prohibition of gift, bribe or improper interest</u> <u>While carrying out duties, the Personnel of the Company, except in accordance with the provisions of the "Procedures for Ethical Management and Guidelines for Conduct" of the Company, shall refrain from the act of soliciting, promising, delivering or accepting any kinds of gift, entertainment, commission, bribe or other improper interest for his or her own, the Company or any third party.</u></p> <p>4. <u>Duty of confidentiality</u> <u>The Personnel of the Company shall properly to protect confidential information obtained in the course of his or her duties and shall use it solely for carrying out the business of the Company with authorization. Confidential information shall only be disclosed to those with a need-to-know. For confidential information owned by third party, the Personnel shall be bound by terms and conditions of confidentiality agreement entered into by and between the Company and the third party. The Personnel is obliged to keep all confidential information received during employment period strictly confidential after leaving the Company.</u></p> <p>5. <u>Fair trade</u> <u>The Personnel of the Company shall treat the Company's suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.</u> <u>Safeguarding and proper use of company assets</u> <u>The Personnel of the Company has the responsibility to safeguard company assets and to ensure that he or she can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the Company's profitability.</u></p> <p>7. <u>Legal compliance</u> <u>The Personnel of the Company shall comply with the Securities and Exchange Act, other applicable laws, regulations, and the Company's</u></p>	<p>When the Company has an opportunity for profit, it is the responsibility of <u>Directors, and managerial officers</u> to increase the reasonable and lawful benefits that can be obtained by the Company.</p> <p>(3) <u>Duty of confidentiality</u> <u>The Personnel of the Company shall be bound by the obligation to maintain the confidentiality of any information regarding the Company itself or its suppliers and customers, except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the Company or the suppliers and customers.</u></p> <p>(4) <u>Fair trade</u> <u>The Personnel of the Company shall treat the Company's suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.</u> <u>Safeguarding and proper use of company assets</u> <u>The Personnel of the Company has the responsibility to safeguard company assets and to ensure that he or she can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the Company's profitability.</u></p> <p>(6) <u>Legal compliance</u> <u>The Company shall strengthen its compliance with the Securities and Exchange Act and other applicable laws, regulations, and bylaws.</u></p>	

Amended Article	Current Article	Explanation
<p><u>internal rules and policies.</u></p>	<p>(7) <u>Encouraging reporting on illegal or unethical activities</u> <u>The Company shall raise awareness of ethics internally and encourage the employees to report to the Director, managerial officer, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the Code. To encourage the employees to report illegal conduct, the Company shall establish a concrete whistle-blowing system, anonymous reporting, and make the employees aware that the Company will use its best efforts to ensure the safety of whistleblowers and protect them from reprisals.</u></p> <p>(8) <u>Disciplinary measure</u> <u>When a director, or managerial officer violates the Code, the Company shall handle the matter in accordance with the disciplinary measures prescribed in Company Act, and Articles of Incorporation, and shall without delay disclose on the Market Observation Post System (MOPS) the name and title of the person entitled, the date of the violation by the violator, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken. It is advisable that the Company establish a relevant complaint system to provide the violator with remedies.</u></p>	
<p><u>Article 6</u> Encouraging reporting on illegal or unethical activities The Company shall raise awareness of ethics internally and encourage <u>the Personnel</u> to report to the Director, managerial officer, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the Code. To encourage <u>the Personnel</u> to report illegal conduct, the Company <u>has established</u> a concrete whistle-blowing system, anonymous reporting, and make <u>the Personnel</u> aware that the Company will use its best efforts to ensure the safety of whistleblowers and protect him or her from reprisals.</p> <p><u>Article 7</u> Disciplinary measure <u>1. When the Personnel violates the Code, the Company shall, depending on the severity of the situation, handle the matter in accordance with relevant regulations. Anyone who is found to have committed a severe violation of the Code may also be subject to criminal penalties and/or civil liabilities in accordance with applicable laws in addition to being dismissed.</u></p>	<p>-</p>	<p>This amended Article 6 is moved from the current Article 2, paragraph (7), and amended the wording.</p>
	<p>-</p>	<p>This amended Article 7 is moved from the current Article 2, paragraph (8), and amended base on the practical needs of the Company.</p>

Amended Article	Current Article	Explanation
<p>2. The director, or managerial officer who is found to have committed a severe violation of the Code shall be without delay disclosed on the Market Observation Post System (MOPS) the name and title of the person entitled, the date of the violation by the violator, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken. It is advisable that the Company establish a relevant complaint system to provide the violator with remedies.</p>		
<p><u>Article 8</u> Procedures for exemption (Omitted)</p>	<p><u>Article 3</u> Procedures for exemption (Omitted)</p>	<p>Amended the number of this Article.</p>
<p><u>Article 9</u> Method of disclosure (Omitted)</p>	<p><u>Article 4</u> Method of disclosure (Omitted)</p>	<p>Amended the number of this Article.</p>
<p><u>Article 10</u> Enforcement The Company's Code shall take effect after having been submitted to and approved by the Board of Directors. Subsequent amendments thereto shall be effected in the same manner.</p>	<p><u>Article 5</u> Enforcement The Company's Code shall take effect after having been submitted to and approved by the Board of Directors, and submitted to a Shareholders Meeting. Subsequent amendments thereto shall be effected in the same manner.</p>	<p>Amended base on the practical needs of the Company, and the amended number of this Article.</p>

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR24000606

To the Board of Directors and Shareholders of Honey Hope Honesty Enterprise Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Honey Hope Honesty Enterprise Co., Ltd. and subsidiaries (the "Group") as at December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of 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 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 Group's 2024 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2024 consolidated financial statements are stated as follows:

Assessment of allowance for bad debts from accounts receivable

Description

Refer to Note 4(9) for the accounting policies related to accounts receivable, Note 5(2) for the accounting estimates and assumption uncertainty of assessment of allowance for bad debts from accounts receivable, Note 6(3) for the details of accounts receivable and Note 12(2) for the disclosure of information relating to credit risk.

The Group manages the collections of accounts receivable and overdue accounts from customers and bears relevant credit risk. The management assesses the credit quality of customers periodically to adjust the credit policy on customers on a timely basis. In addition, the impairment assessment of accounts receivable applies the modified approach to estimate the expected credit loss based on IFRS 9. The management calculates the expected loss rate according to various factors which might affect the customers' payment ability such as the past due period on the balance sheet date and in the past, the financial position and the economic position as well as using the forecastability.

Given that the amounts of the Group's accounts receivable are significant to the consolidated financial statements and the determination of the loss provision ratio involves the management's judgement, we consider the estimates of loss allowance for accounts receivable a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the credit status of the Group's customers and assessed the policies and procedures on the provision of loss allowance for accounts receivable.

2. Assessed the loss allowance for the amounts of accounts receivable whose impairment were individually assessed.
3. Conducted test for the ageing of accounts receivable and examined supporting documents related to the overdue of accounts receivable to ascertain the classifications of ageing periods.
4. Acquired and reviewed the historical default possibility and past due circumstances of the accounts in the past years provided by the management and considered the forecastability to assess the provision amount of loss allowance.

Cut-off of sales revenue

Description

Refer to Note 4(26) for the accounting policies on revenue recognition and Note 6(13) for the details of revenue.

The Group has two primary types of sales. Specifically, sales of goods directly shipped and sales of goods from distribution warehouses. For sales of goods from distribution warehouses, revenue is recognised when goods are picked up at the distribution warehouses by customers (i.e. the transfer of risk and rewards) based on the report of customers' actual pick up and other related information provided by the warehouse custodians. Given that the process of revenue recognition from distribution warehouse sales usually contains many manual adjustments, we consider the timing of revenue recognition from distribution warehouse sales as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the procedures of regular reconciliation between the Group, customer and warehouse custodians, acquired related forms to verify whether they comply with the procedures and checked the report of pick up to ascertain the accuracy of adjusting timing of revenue recognition.
2. Performed cut-off tests for sales transactions from shipping warehouse during a certain period before and after balance sheet date, including checking the supporting documents.
3. Sent confirmation letters or observed physical inventory count for certain critical inventories of the distribution warehouses and checked the records of inventories. In addition, inspected the reason for the discrepancies between the replied confirmations and accounting records, if any, and tested the reconciling items made by the Group to ascertain the significant discrepancies have been adjusted and recorded appropriately.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

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

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Yeh, Tsui-Miao

Tu, Chan-Yuan

For and on behalf of PricewaterhouseCoopers, Taiwan

March 6, 2025

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

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

HONEY HOPE HONESTY ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2024		December 31, 2023		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 697,277	17	\$ 486,416	13
1110	Financial assets at fair value through profit or loss - current	6(2)	248,717	6	38,511	1
1136	Current financial assets at amortised cost	6(1)	79,780	2	395,385	10
1150	Notes receivable, net	6(3)	75	-	656	-
1170	Accounts receivable, net	6(3) and 8	1,983,309	47	1,666,701	43
1200	Other receivables		24,127	1	19,491	1
1220	Current tax assets	6(20)	13,196	-	15,706	-
130X	Inventories	6(4) and 8	569,309	14	605,528	16
1410	Prepayments		16,334	-	53,097	1
11XX	Current Assets		<u>3,632,124</u>	<u>87</u>	<u>3,281,491</u>	<u>85</u>
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	26,243	1	23,200	1
1535	Non-current financial assets at amortised cost	6(1)	4,478	-	-	-
1600	Property, plant and equipment	6(5)	112,867	3	115,819	3
1755	Right-of-use assets	6(6)	7,609	-	9,544	-
1780	Intangible assets		5,594	-	4,328	-
1840	Deferred income tax assets	6(20)	16,866	-	21,071	1
1920	Guarantee deposits paid	7(2) and 8	385,102	9	385,760	10
1990	Other non-current assets, others		1,365	-	501	-
15XX	Non-current assets		<u>560,124</u>	<u>13</u>	<u>560,223</u>	<u>15</u>
1XXX	Total assets		<u>\$ 4,192,248</u>	<u>100</u>	<u>\$ 3,841,714</u>	<u>100</u>

(Continued)

HONEY HOPE HONESTY ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2024		December 31, 2023		
		AMOUNT	%	AMOUNT	%	
Current liabilities						
2100	Short-term borrowings	6(7)	\$ 116,975	3	\$ -	-
2130	Current contract liabilities	6(13)	6,228	-	42,561	1
2150	Notes payable		1,694	-	4,019	-
2170	Accounts payable		1,069,147	26	222,185	6
2180	Accounts payable - related parties	7(2)	571	-	787,801	21
2200	Other payables		78,424	2	63,842	2
2280	Current lease liabilities		5,384	-	7,121	-
2300	Other current liabilities		34,153	1	15,392	-
21XX	Current Liabilities		<u>1,312,576</u>	<u>32</u>	<u>1,142,921</u>	<u>30</u>
Non-current liabilities						
2570	Deferred income tax liabilities	6(20)	165,400	4	161,136	4
2580	Non-current lease liabilities		2,472	-	2,566	-
2600	Other non-current liabilities	6(8)	13,003	-	15,113	-
25XX	Non-current liabilities		<u>180,875</u>	<u>4</u>	<u>178,815</u>	<u>4</u>
2XXX	Total Liabilities		<u>1,493,451</u>	<u>36</u>	<u>1,321,736</u>	<u>34</u>
Equity						
Share capital						
3110	Share capital - common stock	6(10)	799,072	19	799,072	21
Capital surplus						
3200	Capital surplus	6(11)	316,897	8	303,910	8
Retained earnings						
3310	Legal reserve	6(12)	369,966	9	369,966	10
3320	Special reserve		58,131	1	45,043	1
3350	Unappropriated retained earnings		1,177,102	28	1,082,888	28
Other equity interest						
3400	Other equity interest		(22,371)	(1)	(58,131)	(1)
3500	Treasury stocks	6(10)	-	-	(22,770)	(1)
31XX	Equity attributable to owners of parent		<u>2,698,797</u>	<u>64</u>	<u>2,519,978</u>	<u>66</u>
3XXX	Total equity		<u>2,698,797</u>	<u>64</u>	<u>2,519,978</u>	<u>66</u>
Significant contingent liabilities and unrecognised contract commitments 9						
Significant events after the balance sheet date 11						
3X2X	Total liabilities and equity		<u>\$ 4,192,248</u>	<u>100</u>	<u>\$ 3,841,714</u>	<u>100</u>

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

HONEY HOPE HONESTY ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars, except for earnings (losses) per share amounts)

	Items	Notes	Year ended December 31			
			2024		2023	
			AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(13)	\$ 4,688,007	100	\$ 4,885,670	100
5000	Operating costs	6(4)(18) and 7(2)	(4,478,313)	(95)	(4,749,917)	(97)
5950	Net operating margin		<u>209,694</u>	<u>5</u>	<u>135,753</u>	<u>3</u>
	Operating expenses	6(18)				
6100	Selling expenses		(131,938)	(3)	(124,381)	(3)
6200	General and administrative expenses		(86,417)	(2)	(72,587)	(1)
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	12(2)	(4,065)	-	7,920	-
6000	Total operating expenses		(222,420)	(5)	(189,048)	(4)
6900	Operating loss		(12,726)	-	(53,295)	(1)
	Non-operating income and expenses					
7100	Interest income	6(14) and 7(2)	17,060	-	15,854	-
7010	Other income	6(15)	16,306	-	21,564	-
7020	Other gains and losses	6(16)	115,103	3	(200)	-
7050	Finance costs	6(17)	(414)	-	(878)	-
7000	Total non-operating income and expenses		<u>148,055</u>	<u>3</u>	<u>36,340</u>	<u>-</u>
7900	Profit before income tax		<u>135,329</u>	<u>3</u>	<u>(16,955)</u>	<u>(1)</u>
7950	Income tax expense	6(20)	(13,952)	(1)	(2,105)	-
8200	Profit for the year		<u>\$ 121,377</u>	<u>2</u>	<u>(\$ 19,060)</u>	<u>(1)</u>
	Other comprehensive income					
8311	Other comprehensive income, before tax, actuarial gains (losses) on defined benefit plans	6(8)	\$ 2,190	-	\$ 205	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(20)	(439)	-	(41)	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		<u>35,760</u>	<u>1</u>	<u>(13,088)</u>	<u>-</u>
8360	Components of other comprehensive income that will be reclassified to profit or loss		<u>35,760</u>	<u>1</u>	<u>(13,088)</u>	<u>-</u>
8300	Other comprehensive income (loss) for the year		<u>\$ 37,511</u>	<u>1</u>	<u>(\$ 12,924)</u>	<u>-</u>
8500	Total comprehensive income (loss) for the year		<u>\$ 158,888</u>	<u>3</u>	<u>(\$ 31,984)</u>	<u>(1)</u>
8610	Profit (loss) attributable to owners of parent		<u>\$ 121,377</u>	<u>2</u>	<u>(\$ 19,060)</u>	<u>(1)</u>
8710	Comprehensive income (loss), attributable to owners of parent		<u>\$ 158,888</u>	<u>3</u>	<u>(\$ 31,984)</u>	<u>(1)</u>
	Basic earnings (losses) per share					
9750	Total basic earnings (losses) per share	6(21)	<u>\$ 1.53</u>		<u>(\$ 0.24)</u>	
	Diluted earnings (losses) per share					
9850	Total diluted earnings (losses) per share	6(21)	<u>\$ 1.52</u>		<u>(\$ 0.24)</u>	

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

HONEY HOPE HONESTY ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Equity attributable to owners of the parent							Treasury shares	Total equity	
	Notes	Share capital - common stock	Retained Earnings				Unappropriated retained earnings			Other Equity
			Capital surplus	Legal reserve	Special reserve	Financial statements translation differences of foreign operations				
<u>Year ended December 31, 2023</u>										
Balance at January 1, 2023		\$ 799,072	\$ 303,910	\$ 354,738	\$ 72,041	\$ 1,175,476	(\$ 45,043)	(\$ 22,770)	\$ 2,637,424	
Loss for the year		-	-	-	-	(19,060)	-	-	(19,060)	
Other comprehensive income (loss) for the year		-	-	-	-	164	(13,088)	-	(12,924)	
Total comprehensive loss	6(12)	-	-	-	-	(18,896)	(13,088)	-	(31,984)	
Distribution of 2022 earnings		-	-	-	-	-	-	-	-	
Provision for legal reserve		-	-	15,228	-	(15,228)	-	-	-	
Provision for special reserve		-	-	-	(26,998)	26,998	-	-	-	
Cash dividends		-	-	-	-	(85,462)	-	-	(85,462)	
Balance at December 31, 2023		\$ 799,072	\$ 303,910	\$ 369,966	\$ 45,043	\$ 1,082,888	(\$ 58,131)	(\$ 22,770)	\$ 2,519,978	
<u>Year ended December 31, 2024</u>										
Balance at January 1, 2024		\$ 799,072	\$ 303,910	\$ 369,966	\$ 45,043	\$ 1,082,888	(\$ 58,131)	(\$ 22,770)	\$ 2,519,978	
Profit for the year		-	-	-	-	121,377	-	-	121,377	
Other comprehensive income for the year		-	-	-	-	1,751	35,760	-	37,511	
Total comprehensive income		-	-	-	-	123,128	35,760	-	158,888	
Distribution of 2023 earnings	6(12)	-	-	-	-	-	-	-	-	
Provision for special reserve		-	-	-	13,088	(13,088)	-	-	-	
Cash dividends		-	-	-	-	(15,826)	-	-	(15,826)	
Treasury stock transfer for employee compensation	6(9)	-	13,057	-	-	-	-	-	13,057	
Treasury stock transfer for employees	6(10)	-	(70)	-	-	-	-	22,770	22,700	
Balance at December 31, 2024		\$ 799,072	\$ 316,897	\$ 369,966	\$ 58,131	\$ 1,177,102	(\$ 22,371)	\$ -	\$ 2,698,797	

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

HONEY HOPE HONESTY ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit (loss) before tax		\$ 135,329	(\$ 16,955)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation of property, plant and equipment and right-of-use assets	6(18)	13,776	11,964
Amortisation expense of intangible assets and other non-current assets	6(18)	6,672	6,321
Expected credit impairment loss (gain)	12(2)	4,065	(7,920)
Net loss (gain) on financial assets at fair value through profit or loss	6(16)	(67,802)	15,845
Compensation costs of treasury shares transferred to employees	6(9)	13,057	-
Interest expense	6(17)	414	878
Interest income	6(14)	(17,060)	(15,854)
Dividend income	6(15)	(11,908)	(19,876)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		(141,963)	(17,994)
Notes receivable, net		581	(167)
Accounts receivable, net		(320,750)	549,425
Other receivables		(5,225)	(4,649)
Inventories		36,219	613,098
Prepayments		36,763	1,955
Changes in operating liabilities			
Current contract liabilities		(36,333)	(594)
Notes payable		(2,325)	(814)
Accounts payable		846,962	137,215
Accounts payable - related parties		(787,230)	(609,360)
Other payables		14,752	(14,085)
Other current liabilities		18,761	4,981
Other non-current liabilities		80	82
Cash (outflow) inflow generated from operations		(263,165)	633,496
Interest received		17,666	15,707
Dividend received		11,908	19,876
Interest paid		(375)	(878)
Income tax paid		(3,412)	(57,966)
Net cash flows (used in) from operating activities		(237,378)	610,235

(Continued)

HONEY HOPE HONESTY ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in current financial assets at amortised cost		(\$ 260,561)	(\$ 1,791,902)
Decrease in current financial assets at amortised cost		576,544	1,528,557
Increase in financial assets at fair value through other comprehensive income-non-current		(3,484)	(23,200)
Acquisition of property, plant and equipment	6(22)	(3,494)	(5,774)
Acquisition of intangible assets	6(22)	(7,140)	(5,687)
Increase in guarantee deposits paid		(5,791)	(100,086)
Decrease in guarantee deposits paid		6,960	147
Increase in non-current financial assets at amortised cost		(4,478)	-
Increase in other non-current assets-other		(1,259)	(40)
Net cash flows from (used in) investing activities		<u>297,297</u>	<u>(397,985)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds from short-term borrowings	6(23)	149,505	536,259
Repayments for short-term borrowings	6(23)	(32,530)	(536,259)
Repayments of principal portion of lease liabilities	6(23)	(7,498)	(5,694)
Payments of cash dividends	6(23)	(15,826)	(85,462)
Subscription price of treasury shares transferred to employees	6(10)	22,700	-
Net cash flows from (used in) financing activities		<u>116,351</u>	<u>(91,156)</u>
Effect of exchange rate changes on cash and cash equivalents		<u>34,591</u>	<u>(13,506)</u>
Net increase in cash and cash equivalents		210,861	107,588
Cash and cash equivalents at beginning of year		<u>486,416</u>	<u>378,828</u>
Cash and cash equivalents at end of year		<u>\$ 697,277</u>	<u>\$ 486,416</u>

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

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR24000605

To the Board of Directors and Shareholders of Honey Hope Honesty Enterprise Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Honey Hope Honesty Enterprise Co., Ltd. (the "Company") as at December 31, 2024 and 2023, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2024 and 2023, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the parent company only financial statements* section of our report. We are independent of the Company in

accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2024 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2024 parent company only financial statements are stated as follows:

Assessment of allowance for bad debts from accounts receivable

Description

Refer to Note 4(7) for the accounting policies related to accounts receivable, Note 5(2) for the accounting estimates and assumption uncertainty of assessment of allowance for bad debts from accounts receivable, Note 6(3) for the details of accounts receivable and Note 12(2) for the disclosure of information relating to credit risk.

The Company manages the collections of accounts receivable and overdue accounts from customers and bears relevant credit risk. The management assesses the credit quality of customers periodically to adjust the credit policy on customers timely. In addition, the

impairment assessment of accounts receivable applies the modified approach to estimate the expected credit loss based on IFRS 9. The management calculates the expected loss rate according to various factors which might affect the customers' payment ability such as the past due period on the balance sheet date and in the past, the financial position and the economic position as well as using the forecastability.

Given that the amounts of the Company's accounts receivable are significant to the parent company only financial statements and the determination of the loss provision ratio involves the management's judgement, we consider the estimates of loss allowance for accounts receivable a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the credit status of the Company's customers and assessed the policies and procedures on the provision of loss allowance for accounts receivable.
2. Assessed the loss allowance for the amounts of accounts receivable whose impairment were individually assessed.
3. Conducted test for the ageing of accounts receivable and examined supporting documents related to the overdue of accounts receivable to ascertain the classifications of ageing periods.
4. Acquired and reviewed the historical default possibility and past due circumstances of the accounts in the past years provided by the management and considered the forecastability to assess the provision amount of loss allowance.

Cut-off of sales revenue

Description

Refer to Note 4(25) for the accounting policies on revenue recognition and Note 6(14) for the details of revenue.

The Company has two primary types of sales. Specifically, sales of goods directly shipped and sales of goods from distribution warehouses. For sales of goods from distribution warehouses, revenue is recognised when goods are picked up at the distribution warehouses by customers (i.e. the transfer of risk and rewards) based on the report of customers' actual pick up and other related information provided by the warehouse custodians. Given that the process of revenue recognition from distribution warehouse sales usually contains many manual adjustments, we consider the timing of revenue recognition from distribution warehouse sales as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the procedures of regular reconciliation between the Company, customer and warehouse custodians, acquired related forms to verify whether they comply with the procedures and checked the report of pick up to ascertain the accuracy of adjusting timing of revenue recognition.
2. Performed cut-off tests for sales transactions from shipping warehouse during a certain period before and after balance sheet date, including checking the supporting documents.
3. Sent confirmation letters or observed physical inventory count for certain critical inventories of the distribution warehouses and checked the records of inventories. In addition, inspected the reason for the discrepancies between the replied confirmations

and accounting records, if any, and tested the reconciling items made by the Company to ascertain the significant discrepancies have been adjusted and recorded appropriately.

Responsibilities of management and those charged with governance for the parent company only financial statements

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the parent company only

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

independence, and where applicable, related safeguards.

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

Yeh, Tsui-Miao

Tu, Chan-Yuan

For and on behalf of PricewaterhouseCoopers, Taiwan

March 6, 2025

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

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

HONEY HOPE HONESTY ENTERPRISE CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2024		December 31, 2023		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 584,637	14	\$ 239,291	6
1110	Financial assets at fair value through profit or loss - current	6(2)	248,717	6	38,511	1
1136	Current financial assets at amortised cost	6(1)	35,000	1	384,568	10
1150	Notes receivable, net	6(3)	75	-	656	-
1170	Accounts receivable, net	6(3) and 8	1,119,116	27	830,044	22
1180	Accounts receivable - related parties	6(3) and 7(2)	139,304	3	252,845	7
1200	Other receivables		24,834	1	18,925	1
1220	Current tax assets	6(21)	13,196	-	15,706	-
130X	Inventories	6(4) and 8	561,899	14	600,012	16
1410	Prepayments		14,598	-	51,202	1
11XX	Current Assets		<u>2,741,376</u>	<u>66</u>	<u>2,431,760</u>	<u>64</u>
Non-current assets						
1510	Non-current financial assets at fair value through profit or loss	6(2)	26,243	1	23,200	1
1550	Investments accounted for using equity method	6(5)	888,131	21	845,583	22
1600	Property, plant and equipment	6(6)	107,760	3	111,747	3
1755	Right-of-use assets	6(7)	2,506	-	7,367	-
1780	Intangible assets		4,743	-	3,493	-
1840	Deferred income tax assets	6(21)	16,866	-	21,071	-
1920	Guarantee deposits paid	7(2) and 8	383,671	9	378,824	10
1990	Other non-current assets, others		13	-	259	-
15XX	Non-current assets		<u>1,429,933</u>	<u>34</u>	<u>1,391,544</u>	<u>36</u>
1XXX	Total assets		<u>\$ 4,171,309</u>	<u>100</u>	<u>\$ 3,823,304</u>	<u>100</u>

(Continued)

HONEY HOPE HONESTY ENTERPRISE CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(8)	\$ 116,975	3	\$ -	-
2130	Current contract liabilities	6(14)	6,228	-	42,514	1
2150	Notes payable		1,694	-	4,019	-
2170	Accounts payable		1,067,899	26	221,831	6
2180	Accounts payable - related parties	7(2)	571	-	785,702	21
2200	Other payables		64,028	1	50,177	1
2280	Current lease liabilities		2,566	-	4,884	-
2300	Other current liabilities		34,148	1	15,384	-
21XX	Current Liabilities		<u>1,294,109</u>	<u>31</u>	<u>1,124,511</u>	<u>29</u>
Non-current liabilities						
2570	Deferred income tax liabilities	6(21)	165,400	4	161,136	4
2580	Non-current lease liabilities		-	-	2,566	-
2600	Other non-current liabilities	6(9)	13,003	-	15,113	1
25XX	Non-current liabilities		<u>178,403</u>	<u>4</u>	<u>178,815</u>	<u>5</u>
2XXX	Total Liabilities		<u>1,472,512</u>	<u>35</u>	<u>1,303,326</u>	<u>34</u>
Equity						
Share capital		6(11)				
3110	Share capital - common stock		799,072	19	799,072	21
Capital surplus		6(12)				
3200	Capital surplus		316,897	8	303,910	8
Retained earnings		6(13)				
3310	Legal reserve		369,966	9	369,966	10
3320	Special reserve		58,131	1	45,043	1
3350	Unappropriated retained earnings		1,177,102	28	1,082,888	28
Other equity interest						
3400	Other equity interest		(22,371)	-	(58,131)	(1)
3500	Treasury shares	6(11)	-	-	(22,770)	(1)
3XXX	Total equity		<u>2,698,797</u>	<u>65</u>	<u>2,519,978</u>	<u>66</u>
Significant contingent liabilities and unrecognised contract commitments		9				
Significant events after the balance sheet date		11				
3X2X	Total liabilities and equity		<u>\$ 4,171,309</u>	<u>100</u>	<u>\$ 3,823,304</u>	<u>100</u>

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

HONEY HOPE HONESTY ENTERPRISE CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings (losses) per share amounts)

Items	Notes	Year ended December 31				
		2024		2023		
		AMOUNT	%	AMOUNT	%	
4000	Sales revenue	6(14) and 7(2)	\$ 4,631,198	100	\$ 4,829,529	100
5000	Operating costs	6(4) and 7(2)	(4,457,534)	(96)	(4,707,574)	(98)
5900	Net operating margin		173,664	4	121,955	2
5910	Unrealized profit from sales	6(5)	(1,539)	-	(1,305)	-
5920	Realized profit from sales	6(5)	1,305	-	4,652	-
5950	Net operating margin		173,430	4	125,302	2
	Operating expenses	6(19)				
6100	Selling expenses		(118,695)	(3)	(110,617)	(2)
6200	General and administrative expenses		(63,894)	(1)	(50,657)	(1)
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	12(2)	(5,270)	-	(2,153)	-
6000	Total operating expenses		(187,859)	(4)	(163,427)	(3)
6900	Operating loss		(14,429)	-	(38,125)	(1)
	Non-operating income and expenses					
7100	Interest income	6(15) and 7(2)	16,024	-	15,049	-
7010	Other income	6(16)	15,730	-	20,685	-
7020	Other gains and losses	6(17)	111,325	3	(8,347)	-
7050	Finance costs	6(18)	(343)	-	(789)	-
7070	Share of profit (loss) of associates and joint ventures accounted for using equity method, net	6(5)	7,022	-	(9,593)	-
7000	Total non-operating income and expenses		149,758	3	17,005	-
7900	Profit (loss) before income tax		135,329	3	(21,120)	(1)
7950	Income tax (expense) benefit	6(21)	(13,952)	(1)	2,060	-
8200	Profit (loss) for the year		\$ 121,377	2	(\$ 19,060)	(1)
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Other comprehensive income, before tax, actuarial gains (losses) on defined benefit plans	6(9)	\$ 2,190	-	\$ 205	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(21)	(439)	-	(41)	-
8310	Components of other comprehensive income that will not be reclassified to profit or loss		1,751	-	164	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		35,760	1	(13,088)	-
8360	Components of other comprehensive (loss) income that will be reclassified to profit or loss		35,760	1	(13,088)	-
8300	Other comprehensive (loss) income for the year		\$ 37,511	1	(\$ 12,924)	-
8500	Total comprehensive (loss) income for the year		\$ 158,888	3	(\$ 31,984)	(1)
	Basic earnings (losses) per share					
9750	Total basic earnings (losses) per share	6(22)	\$ 1.53		(\$ 0.24)	
	Diluted earnings (losses) per share					
9850	Total diluted earnings (losses) per share	6(22)	\$ 1.52		(\$ 0.24)	

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

HONEY HOPE HONESTY ENTERPRISE CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Share capital - common stock	Retained Earnings				Unappropriated retained earnings	Other Equity Financial statements translation differences of foreign operations	Treasury shares	Total equity
			Capital surplus	Legal reserve	Special reserve					
<u>Year ended December 31, 2023</u>										
Balance, January 1, 2023		\$ 799,072	\$ 303,910	\$ 354,738	\$ 72,041	\$ 1,175,476	(\$ 45,043)	(\$ 22,770)	\$ 2,637,424	
Loss for the year		-	-	-	-	(19,060)	-	-	(19,060)	
Other comprehensive income (loss) for the year		-	-	-	-	164	(13,088)	-	(12,924)	
Total comprehensive loss		-	-	-	-	(18,896)	(13,088)	-	(31,984)	
Appropriation of 2022 earnings	6(13)	-	-	-	-	-	-	-	-	
Legal reserve		-	15,228	-	-	(15,228)	-	-	-	
Special reserve		-	-	(26,998)	-	26,998	-	-	-	
Cash dividends		-	-	-	-	(85,462)	-	-	(85,462)	
Balance at December 31, 2023		\$ 799,072	\$ 303,910	\$ 369,966	\$ 45,043	\$ 1,082,888	(\$ 58,131)	(\$ 22,770)	\$ 2,519,978	
<u>Year ended December 31, 2024</u>										
Balance, January 1, 2024		\$ 799,072	\$ 303,910	\$ 369,966	\$ 45,043	\$ 1,082,888	(\$ 58,131)	(\$ 22,770)	\$ 2,519,978	
Profit for the year		-	-	-	-	121,377	-	-	121,377	
Other comprehensive income		-	-	-	-	1,751	35,760	-	37,511	
Total comprehensive income		-	-	-	-	123,128	35,760	-	158,888	
Appropriation of 2023 earnings	6(13)	-	-	-	-	-	-	-	-	
Special reserve		-	-	-	13,088	(13,088)	-	-	-	
Cash dividends		-	-	-	-	(15,826)	-	-	(15,826)	
Treasury stock transfer for employee compensation	6(10)	-	13,057	-	-	-	-	-	13,057	
Treasury stock transfer for employees	6(11)	-	(70)	-	-	-	-	22,770	22,700	
Balance at December 31, 2024		\$ 799,072	\$ 316,897	\$ 369,966	\$ 58,131	\$ 1,177,102	(\$ 22,371)	\$ -	\$ 2,698,797	

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

HONEY HOPE HONESTY ENTERPRISE CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit (loss) before tax		\$ 135,329	(\$ 21,120)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation (including depreciation on right-of-use assets)	6(19)	10,390	8,370
Amortisation expense of intangible assets and other non-current assets	6(19)	5,354	5,103
Expected credit impairment loss	12(2)	5,270	2,153
Net loss (gain) on financial assets at fair value through profit or loss	6(17)	(67,802)	15,845
Compensation cost for the transfer of treasury shares to employees	6(10)	13,057	-
Interest expense	6(18)	343	789
Interest income	6(15)	(16,024)	(15,049)
Dividend income	6(16)	(11,908)	(19,876)
Share of profit (loss) of subsidiaries accounted for using equity method	6(5)	(7,022)	9,593
Unrealized profit from sales	6(5)	1,539	1,305
Realized profit from sales	6(5)	(1,305)	(4,652)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		(141,963)	(17,994)
Notes receivable, net		581	(167)
Accounts receivable, net		(294,342)	(423,831)
Accounts receivable-related parties		113,541	823,850
Other receivables		(6,086)	(4,649)
Inventories		38,113	591,782
Prepayments		36,604	1,741
Changes in operating liabilities			
Current contract liabilities		(36,286)	(641)
Notes payable		(2,325)	(814)
Accounts payable		846,068	136,861
Accounts payable-related parties		(785,131)	(608,529)
Other payables		14,021	(12,764)
Other current liabilities		18,764	4,980
Other non-current liabilities		80	82
Cash (outflow) inflow generated from operations		(131,140)	472,368
Interest received		16,201	14,834
Dividend received		11,908	19,876
Interest paid		(304)	(789)
Income tax paid		(3,412)	(58,152)
Net cash flows (used in) from operating activities		(106,747)	448,137

(Continued)

HONEY HOPE HONESTY ENTERPRISE CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in current financial assets at amortised cost		(\$ 195,630)	(\$ 1,791,902)
Decrease in current financial assets at amortised cost		545,198	1,517,334
Increase in financial assets at fair value through other comprehensive income-non current		(3,484)	(23,200)
Acquisition of property, plant and equipment	6(23)	(2,054)	(5,747)
Increase in guarantee deposits paid		(5,247)	(100,000)
Decrease in guarantee deposits paid		400	-
Acquisition of intangible assets	6(23)	(6,055)	(4,528)
Increase in other non-current assets-other		-	(40)
Net cash flows from (used in) investing activities		<u>333,128</u>	<u>(408,083)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds from short-term borrowings	6(24)	149,505	536,258
Repayments for short-term borrowings	6(24)	(32,530)	(536,258)
Repayments of principal portion of lease liabilities	6(24)	(4,884)	(3,036)
Payments of cash dividends	6(24)	(15,826)	(85,462)
Subscription price of treasury shares transferred to employees	6(11)	22,700	-
Net cash flows from (used in) financing activities		<u>118,965</u>	<u>(88,498)</u>
Net increase (decrease) in cash and cash equivalents		345,346	(48,444)
Cash and cash equivalents at beginning of year		239,291	287,735
Cash and cash equivalents at end of year		<u>\$ 584,637</u>	<u>\$ 239,291</u>

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

Honey Hope Honesty Enterprise Co., Ltd.
Earnings Distribution Table
For the Year Ended December 31, 2024

Unit: NT\$

Undistributed earnings at the beginning of the period	1,053,975,751
Add: 2024 adjustments of the undistributed earnings	1,752,293
After adjusted undistributed earnings	<u>1,055,728,044</u>
Add: net profit (loss) after tax for 2024	121,377,398
Less: legal reserve appropriated	(12,137,740)
Less (Add): special reserve appropriated (reversal of special reserve)	35,760,369
Earnings available for distribution	<u>1,200,728,071</u>
Distributable items:	
Less: cash dividends (NT\$0.8 per shar)	(63,925,736)
Undistributed earnings at the end of the period	<u><u>1,136,802,335</u></u>

Chairman : Lin, Hsun-Min

Managerial Officer : Hsu, Hung-Chih

Chief Accountant : Tsai, Su-Chin

Honey Hope Honesty Enterprise Co., Ltd.
Comparison Table of Amendments to the Articles of Incorporation

Amended Article	Current Article	Explanation
<p>Article 20</p> <p>Where the Corporation has net profit after tax at the end of the fiscal year, after paying all relevant taxes and making up losses of previous years, the Corporation shall set aside ten percent of net profit as legal reserve and a special reserve shall be set aside or reversed in accordance with Article 41 of the Securities and Exchange Act. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply. If there is still remaining net profit, the remaining net profit plus the beginning unappropriated earnings are the cumulative distributable surplus of shareholders, and shall be distributed to shareholders according to the distribution plan proposed by the Board of Directors and submitted to the shareholders' meeting for approval.</p> <p>The distributable bonuses, capital reserve and legal reserve in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting, and the provisions of the preceding paragraph requiring the resolution of the shareholders' meeting shall not apply.</p> <p>To reward and motivate employees and the management team, if the Company has profit (which means income before tax excluding the compensation distributable for employees and the Directors), the Corporation shall allocate 5% to 15% of the profit as the employee bonus <u>with no less than 5% as the junior employees' bonus</u>, and not exceed no more than 2% of the profit as director remuneration. However, the company's accumulated losses shall have been covered.</p> <p>Article 22</p> <p>The Articles of Incorporation was established on May 15, 1989.</p>	<p>Article 20</p> <p>Where the Corporation has net profit after tax at the end of the fiscal year, after paying all relevant taxes and making up losses of previous years, the Corporation shall set aside ten percent of net profit as legal reserve and a special reserve shall be set aside or reversed in accordance with Article 41 of the Securities and Exchange Act. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply. If there is still remaining net profit, the remaining net profit plus the beginning unappropriated earnings are the cumulative distributable surplus of shareholders, and shall be distributed to shareholders according to the distribution plan proposed by the Board of Directors and submitted to the shareholders' meeting for approval.</p> <p>The distributable bonuses, capital reserve and legal reserve in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting, and the provisions of the preceding paragraph requiring the resolution of the shareholders' meeting shall not apply.</p> <p>To reward and motivate employees and the management team, if the Company has profit (which means income before tax excluding the compensation distributable for employees and the Directors), the Corporation shall allocate 5% to 15% of the profit as the employee bonus and not exceed no more than 2% of the profit as director remuneration. However, the company's accumulated losses shall have been covered.</p> <p>Article 22</p> <p>The Articles of Incorporation was established on May 15, 1989.</p>	<p>Amended in accordance with the "Securities and Exchange Act".</p>
		<p>Added the date of amendment.</p>

Amended Article	Current Article	Explanation
<p>The 1st amendment was made on June 19, 1990.</p> <p>The 2nd amendment was made on August 2, 1996.</p> <p>The 3rd amendment was made on July 1, 1998.</p> <p>The 4th amendment was made on October 18, 1998.</p> <p>The 5th amendment was made on October 21, 2000.</p> <p>The 6th amendment was made on July 30, 2001.</p> <p>The 7th amendment was made on April 3, 2002.</p> <p>The 8th amendment was made on September 12, 2002.</p> <p>The 9th amendment was made on June 9, 2003. (The first time)</p> <p>The 10th amendment was made on June 9, 2003. (The second time)</p> <p>The 11th amendment was made on June 9, 2004.</p> <p>The 12th amendment was made on June 16, 2005.</p> <p>The 13th amendment was made on June 15, 2006.</p> <p>The 14th amendment was made on June 13, 2007.</p> <p>The 15th amendment was made on June 13, 2008.</p> <p>The 16th amendment was made on June 10, 2009.</p> <p>The 17th amendment was made on June 15, 2010.</p> <p>The 18th amendment was made on June 27, 2012.</p> <p>The 19th amendment was made on June 13, 2016.</p> <p>The 20th amendment was made on June 13, 2017.</p> <p>The 21th amendment was made on June 10, 2019.</p> <p>The 22th amendment was made on June 18, 2020.</p> <p>The 23th amendment was made on June 12, 2024.</p> <p><u>The 24th amendment was made on June 11, 2025.</u></p>	<p>The 1st amendment was made on June 19, 1990.</p> <p>The 2nd amendment was made on August 2, 1996.</p> <p>The 3rd amendment was made on July 1, 1998.</p> <p>The 4th amendment was made on October 18, 1998.</p> <p>The 5th amendment was made on October 21, 2000.</p> <p>The 6th amendment was made on July 30, 2001.</p> <p>The 7th amendment was made on April 3, 2002.</p> <p>The 8th amendment was made on September 12, 2002.</p> <p>The 9th amendment was made on June 9, 2003. (The first time)</p> <p>The 10th amendment was made on June 9, 2003. (The second time)</p> <p>The 11th amendment was made on June 9, 2004.</p> <p>The 12th amendment was made on June 16, 2005.</p> <p>The 13th amendment was made on June 15, 2006.</p> <p>The 14th amendment was made on June 13, 2007.</p> <p>The 15th amendment was made on June 13, 2008.</p> <p>The 16th amendment was made on June 10, 2009.</p> <p>The 17th amendment was made on June 15, 2010.</p> <p>The 18th amendment was made on June 27, 2012.</p> <p>The 19th amendment was made on June 13, 2016.</p> <p>The 20th amendment was made on June 13, 2017.</p> <p>The 21th amendment was made on June 10, 2019.</p> <p>The 22th amendment was made on June 18, 2020.</p> <p>The 23th amendment was made on June 12, 2024.</p>	

HONEY HOPE HONESTY ENTERPRISE CO., LTD. Articles of Incorporation (Before Amendments)

Document Number : A10-23

- Article 1 The Corporation shall be incorporated, as a company limited by shares, under the Company Law of the Republic of China, and its name shall be 蜜望實企業股份有限公司 in the Chinese language, and HONEY HOPE HONESTY ENTERPRISE CO., LTD in the English language.
- Article 2 The scope of business of the Corporation shall be as follows:
1. CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing.
 2. CC01080 Electronics Components Manufacturing.
 3. CC01110 Computer and Peripheral Equipment Manufacturing.
 4. F119010 Wholesale of Electronic Materials.
 5. F219010 Retail Sale of Electronic Materials.
 6. F401010 International Trade.
 7. I301010 Information Software Services.
 8. I301020 Data Processing Services.
 9. I301030 Electronic Information Supply Services.
 10. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 2-1 The Corporation may provide endorsement and guarantee in accordance with the Procedures for Endorsements and Guarantees.
- Article 2-2 The total amount of the Corporation's reinvestment shall not be subject to the restriction as provided in Article 13 of the Company Act.
- Article 3 The headquarters of the Corporation shall be located in Taipei City, Taiwan, R.O.C. If the Corporation considers it necessary, it may, by a resolution adopted at a meeting by the Board of Directors, set up branch offices in Taiwan or abroad.
- Article 4 Public announcements by the Corporation shall be made by a method in accordance with the Article 28 of the Company Act.
- Article 5 The total amount of the Corporation capital stock is NT\$ 1.2 billion divided into 120 million shares at a par value of NT\$10 per share.
For the shares not yet issued, the Board of Directors is authorized to issue shares in installments. NT\$ 70 million of the aforesaid total capital stock, divided into 7 million shares each at a par value of NT\$10, is reserved for issuing employee stock warrants. The board of directors is authorized to issue such shares in installments.
- Article 6 (deleted)
- Article 7 The Corporation may issue shares without physical printed certificates, provided that it shall arrange for book-entry registration with a central securities depository.
- Article 8 Registration for transfer of shares shall be suspended sixty (60) days immediately before the date of regular meeting of shareholders, and thirty (30) days immediately before the date of any special meeting of shareholders, or within five (5) days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Corporation.

- Article 8-1 The Corporation handles its shareholder services in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies provided by the competent authority.
- Article 9 Shareholders' meetings of the Corporation are classified into (1) regular meetings and (2) special meetings. The regular meeting shall be held at least once every year and be convened within six months after close of each fiscal year. The special meetings shall be convened, whenever deemed necessary in accordance with the law.
The shareholders' meeting of the Corporation can be held by means of visual communication network or other methods promulgated by the central competent authority.
- Article 10 Where a shareholder is unable to attend a meeting, such shareholder may appoint a proxy by using the proxy form provided by the Corporation, which shall specify the scope of proxy. In addition to the provisions of Article 177 of the Company Act, the method of the proxy for attending the shareholders' meeting shall be in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" promulgated by the competent authorities.
- Article 11 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under the Company Act.
- Article 12 Resolutions at a shareholders' meeting shall, unless otherwise provided by the applicable laws or regulations, be adopted by a majority vote of the shareholders present in person or by proxy, who represent more than one-half of the total number of voting shares.
- Article 12-1 For a shareholders meeting convened by the Board of Directors, the Chairman of the meeting shall be appointed in accordance with the provisions of Paragraph 3, Article 208 of the Company Act; where as for a shareholders' meeting convened by any other person having the convening right, he/she shall act as the Chairman of that meeting provided, however, that if there are two or more persons having the convening right, the Chairman of the meeting shall be elected from among themselves.
- Article 12-2 Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the Chairman of the meeting and shall be distributed to all shareholders of the Corporation within twenty (20) days after the close of the meeting. The distribution of the aforementioned minutes of shareholders' meeting may be effected by means of a public notice.
- Article 13 The Corporation shall have five to nine directors, to be elected from the nominees listed in the roster of director with the candidate nomination system. The term of office for directors shall be three years. The directors are eligible for re-election. The related matters in connection with the method of receiving nomination of independent director candidates and the announcement shall be conducted in accordance with Company Act, Securities and Exchange Act and the relevant laws and regulations .Independent and non-independent directors shall be elected at the same time, but in separately calculated numbers.
The Corporation may obtain directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of directorship.
- Article 13-1 The Corporation shall establish three or more independent directors to be included

in the number of directors. The professional qualifications, restrictions on both shareholding and concurrent positions held, determination of independence, method of nomination, and other requirements with regard to the independent directors shall be set forth in accordance with the relevant regulations provided by the competent authority in charge of securities affairs.

Article 13-2 The Corporation may set up an audit committee in accordance with Article 14-4 of the Securities and Exchange Act, which shall consist of all independent directors. Regulations governing exercise by the audit committee and its independent director members of the powers and matters related thereto shall be in accordance with the Securities and Exchange Act and the relevant regulations.

Article 14 The Board of Directors shall consist of directors of the Corporation, and the Chairman of the Board of Directors shall be elected by a majority of directors in attendance at a meeting attended by over two-thirds of the Board of Directors. The Chairman of the Board of Directors shall represent the Corporation in external matters.

Article 15 Where the Chairman of the Board of Directors is on leave or cannot exercise his powers or perform his duties for any reason, an acting chairman shall be designated in accordance with Article 208 of the Company Act.

Article 15-1 Unless otherwise provided for in the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors.

Each director shall attend the meeting of the Board of Directors in person. Where a director is unable to attend the meeting of the Board of Directors, he/she may appoint another director as his/her proxy to attend the meeting. A director may accept the appointment to act as the proxy referred to in the preceding Paragraph of one other director only.

Article 15-2 A Board of Directors shall meet at least quarterly. The reasons for calling a Board of Directors meeting shall be notified to each director at least seven days in advance. In emergency circumstances, however, a meeting may be called on shorter notice. The afore-mentioned notice may be conducted by written copy, email, or fax.

Article 16 Directors of the Corporation may be entitled to remuneration for their duties regardless of profit or loss. The Board of Directors is authorized to determine the remuneration based on the level of their participation in the Corporation's operations and the value of their contribution. If the Corporation has a surplus, it shall distribute the remuneration according to Article 20.

Article 17 The Corporation has assigned CEO, the appointment, removal, and compensation of the president and vice presidents shall be made in accordance with Article 29 of the Company Act.

Article 18 At the close of each fiscal year, the Board of Directors shall prepare the following statements and records, and submit the same to the regular shareholders' meeting for ratification according to the regulations.

1. Business Report ;
2. Financial Statements ;
3. Surplus Earnings Distribution or Loss Off-setting Proposals.

Article 19 (deleted)

Article 20 Where the Corporation has net profit after tax at the end of the fiscal year, after paying all relevant taxes and making up losses of previous years, the Corporation shall set aside ten percent of net profit as legal reserve and a special reserve shall be set aside or reversed in accordance with Article 41 of the Securities and

Exchange Act. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply. If there is still remaining net profit, the remaining net profit plus the beginning unappropriated earnings are the cumulative distributable surplus of shareholders, and shall be distributed to shareholders according to the distribution plan proposed by the Board of Directors and submitted to the shareholders' meeting for approval.

The distributable bonuses, capital reserve and legal reserve in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting, and the provisions of the preceding paragraph requiring the resolution of the shareholders' meeting shall not apply.

To reward and motivate employees and the management team, if the Company has profit (which means income before tax excluding the compensation distributable for employees and the Directors), the Corporation shall allocate 5% to 15% of the profit as the employee bonus and not exceed no more than 2% of the profit as director remuneration. However, the company's accumulated losses shall have been covered.

Article 20-1 The Corporation will take into account the environment and growth of the Corporation, its future capital requirements and long-term financial planning, as well as the shareholders' need for cash, and distribute dividends and bonus to shareholders on the distributable surplus referred to in Article 20, of which cash dividends and bonus shall not be less than ten percent of the total dividends and bonus.

The shareholders' meeting may adjust the ratio of aforesaid cash dividends and bonus according to actual amount profits, capital needs and operational needs of the Corporation.

Article 20-2 The organizational rules and operational regulations of the Corporation shall be determined separately by the Board of Directors.

Article 21 Matters not provided for in this Articles of Incorporation shall be governed by the Company Act and the relevant laws and regulations.

Article 21-1 The establishment or amendment of the Articles of Incorporation came into effect upon approval of the competent authority for registration.

Article 22 The Articles of Incorporation was established on May 15, 1989.

The 1st amendment was made on June 19, 1990.

The 2nd amendment was made on August 2, 1996.

The 3rd amendment was made on July 1, 1998.

The 4th amendment was made on October 18, 1998.

The 5th amendment was made on October 21, 2000.

The 6th amendment was made on July 30, 2001.

The 7th amendment was made on April 3, 2002.

The 8th amendment was made on September 12, 2002.

The 9th amendment was made on June 9, 2003. (The first time)

The 10th amendment was made on June 9, 2003. (The second time)

The 11th amendment was made on June 9, 2004.

The 12th amendment was made on June 16, 2005.

The 13th amendment was made on June 15, 2006.

The 14th amendment was made on June 13, 2007.

The 15th amendment was made on June 13, 2008.

The 16th amendment was made on June 10, 2009.
The 17th amendment was made on June 15, 2010.
The 18th amendment was made on June 27, 2012.
The 19th amendment was made on June 13, 2016.
The 20th amendment was made on June 13, 2017.
The 21th amendment was made on June 10, 2019.
The 22th amendment was made on June 18, 2020.
The 23th amendment was made on June 12, 2024.

HONEY HOPE HONESTY ENTERPRISE CO., LTD.
Chairman: Lin, Hsun-Min

HONEY HOPE HONESTY ENTERPRISE CO., LTD.

Rules of Procedure for Shareholders Meetings

Document Number A08-01

1. The rules of procedure are formulated in accordance with the relevant regulations of the Securities and Futures Financial Supervisory Commission and the actual needs of the Corporation.
2. When a shareholders meeting is convened, the Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in.
3. Attendance and voting at shareholders meetings shall be calculated based on numbers of shares.
4. The venue for a shareholders meeting shall be the premises of the Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin between 9 a.m. and 3 p.m.
5. If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, 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.
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.
6. The Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity as necessary. Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.
7. The Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures. The recorded materials 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.
8. The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the 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 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.
When, prior to conclusion of the meeting, the attending shareholders represent more than half 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.
9. If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.
The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

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.

After close of the said meeting, shareholders shall not elect another chairman to hold another meeting at the same place or at any other place.

10. 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.
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.
11. 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 of the preceding paragraph or exceeds the scope of the agenda item, the chair may terminate the speech.
12. When a juristic person is appointed to attend shareholders meeting of the Corporation as proxy, it may designate only one person to represent it in the meeting.
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.
13. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
14. 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.
15. 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 Corporation. The results of the voting shall be reported on-site at the meeting, and a record made of the vote.
16. When a meeting is in progress, the chair may announce a break based on situation and time considerations.
17. Except as otherwise provided in the Company Act and in the Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.
18. 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.
19. The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an armband bearing the word "Proctor."
20. These Rules shall be approved by the shareholders meeting, and come into force on the date of promulgation.

The Rules of Procedure for Shareholders Meetings was established on April 3, 2002.

The 1st amendment was made on June 13, 2013.

Honey Hope Honest Enterprise Co., Ltd.

Shareholdings of Directors

1. As of April 13, 2025, the total issued and outstanding common shares are 79,907,170 shares.
2. According to Article 26 of the Securities and Exchange Act and Article 2 of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the minimum number of shares to be held by the entire directors is 6,392,573 shares. The Company has established an audit committee, therefore, the minimum shareholding regulation for supervisors is not applicable.
3. Shareholdings by all directors of the Company is as follows:

Ex-dividend date: 2025.4.13

Title	Name	Date of election	Term (Years)	Shareholding Number (Shares)	Shareholding Percentage
Chairman	Lin, Hsun-Min	2023.6.12	3	5,657,139	7.07%
Vice Chairman	Chen, Lu-Hsi	2023.6.12	3	4,044,877	5.06%
Director	Fan, Shu-Hui	2023.6.12	3	-	-
Director	Chen, Ting-Tsung	2023.6.12	3	-	-
Independent Director	Yuan, Hung-Chen	2023.6.12	3	-	-
Independent Director	Shih, Chun-Mei	2023.6.12	3	-	-
Independent Director	Hsiao, Shu-Chen	2024.6.12	3	12	-
Shareholdings by all directors				9,702,028	12.13%

HONEY HOPE HONESTY ENTERPRISE CO., LTD.
Codes of Ethical Conduct (Before Amendments)

Document Number: A25-02

Article 1 Objective

In order to guide directors, supervisors, and managerial officers of the Company (including general managers or their equivalents, assistant general managers or their equivalents, deputy assistant general managers or their equivalents, chief financial and chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of a company) to act in alignment with ethical standards, and help interested parties better understand the ethical standards of the Company, “Codes of Ethical Conduct” (“Code”) is promulgated pursuant to “Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies” as a reference to follow.

Article 2 Compliance Matters

(1) Prevention of conflicts of interest

The personnel shall avoid personal interests interfere or may interfere in the conflict of interest of the company's overall interests, as well as abide by the following principles:

Performing his or her duties in an objective and efficient manner.

Avoiding to take advantage of his or her position in the Company to obtain improper benefits for himself, herself, or his or her spouse, relatives within the third degree of kinship.

The Company shall pay special attention to loans of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which the aforementioned personnel works. The Company shall establish a policy aimed at preventing conflicts of interest, and shall offer appropriate means for Directors, and managerial officers to voluntarily explain whether there is any potential conflict between them and the Company.

(2) Avoiding incentives to pursue personal gain

The Company shall prevent the Personnel from engaging in any of the following activities:

A. Seeking an opportunity to pursue personal gain by using Company property or information or taking advantage of his or her position;

B. Obtaining personal gain by using Company property or information or taking advantage of his or her position;

C. Competing with the Company.

When the Company has an opportunity for profit, it is the responsibility of Directors, and managerial officers to increase the reasonable and lawful benefits that can be obtained by the Company.

(3) Duty of confidentiality

The Personnel of the Company shall be bound by the obligation to maintain the confidentiality of any information regarding the Company itself or its suppliers and customers, except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the Company or the suppliers and customers.

(4) Fair trade

The Personnel of the Company shall treat the Company's suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through

manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

(5) Safeguarding and proper use of company assets

The Personnel of the Company has the responsibility to safeguard company assets and to ensure that he or she can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the Company's profitability.

(6) Legal compliance

The Company shall strengthen its compliance with the Securities and Exchange Act and other applicable laws, regulations, and bylaws.

(7) Encouraging reporting on illegal or unethical activities

The Company shall raise awareness of ethics internally and encourage the employees to report to the Director, managerial officer, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the Code. To encourage the employees to report illegal conduct, the Company shall establish a concrete whistle-blowing system, anonymous reporting, and make the employees aware that the Company will use its best efforts to ensure the safety of whistleblowers and protect them from reprisals.

(8) Disciplinary measure

When a director, or managerial officer violates the Code, the Company shall handle the matter in accordance with the disciplinary measures prescribed in Company Act, and Articles of Incorporation, and shall without delay disclose on the Market Observation Post System (MOPS) the name and title of the person entitled, the date of the violation by the violator, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken. It is advisable that the Company establish a relevant complaint system to provide the violator with remedies.

Article 3 Procedures for exemption

If any directors, or managerial officers is necessary to be exempted from compliance with the code, the exemption shall be adopted by a resolution of the Board of Directors, and that information on the name and title of the person entitled to such exemption, the date on which the Board of Directors adopted the resolution for exemption, and the period of, reasons for, and principles behind the application of the exemption be disclosed without delay on the MOPS, in order that the shareholders may evaluate the appropriateness of the Board of Directors resolution to forestall any arbitrary or dubious exemption from the code, and to safeguard the interests of the company by ensuring appropriate mechanisms for controlling any circumstance under which such an exemption occurs.

Article 4 Method of disclosure

The Company shall disclose the Code and any amendments in its annual reports and prospectuses and on the MOPS.

Article 5 Enforcement

The Company's Code shall take effect after having been submitted to and approved by the Board of Directors, and submitted to a Shareholders Meeting. Subsequent amendments thereto shall be effected in the same manner.

These Codes of Ethical Conduct was established on May 6, 2016.

The 1st amendment was made on March 11, 2020.

The 2nd amendment was made on July 31, 2020.