

Stock Code:1236



 宏亞食品股份有限公司
HUNYA FOODS CO., LTD.

2024 General Shareholders' Meeting Meeting Handbook

May 24, 2024

Place: No. 386, Jianguo Rd., Bade Dist., Taoyuan City
(Meeting room at the Company's Jianguo plant)

Meeting Manner: Physical shareholders' meeting



HUNYA FOODS

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Hunya Foods Co., Ltd.
2024

Agenda for General Shareholders' Meeting

Time: 9:30 am on May 24, 2024 (Friday)

Location: No. 386, Jianguo Road, Bade District, Taoyuan City (Meeting room of the Company's Jianguo Plant)

Meeting Manner: Physical shareholders' meeting

Agenda:

I. Commencement Announcement

II. Chairman's Speech

III. Reports:

(1) 2023 Annual Business Report.

(2) 2023 Audit Committee Audit Report.

(3) 2023 Employee and Director Remuneration Distribution Report.

(4) 2023 Profit Distribution Cash Dividend Report.

(5) Other Report.

IV. Approvals:

(1) 2023 Business Report and Financial Statements.

(2) 2023 Profit Distribution Proposal.

V. Discussions:

(1) Amendment to Rules of Procedure for Shareholders' Meetings of the Company.

VI. Motion

VII. Adjournment

Reports

(I) Subject Matter: 2023 Business Report is submitted for review.

Illustration: 1. The chairman of the board of directors will make a report on the Company's 2023 Business Report.
2. The Company's 2023 Business Report is enclosed. Please refer to page 8~12 of this Handbook [Attachment 1].

(II) Subject Matter: 2023 Audit Committee Audit Report is submitted for review.

Illustration: The Audit Committee Audit Report is enclosed. Please refer to page 13 of this Handbook [Attachment 2].

(III) Subject Matter: 2023 Employee and Director Remuneration Distribution Report is submitted for review.

Illustration: 1. According to the Articles of Association of the Company, 2023 employee remuneration provision ratio is 3% and director remuneration is 1.5%.
2. The amount of employee remuneration provisioned from 2023 net profit before tax is NT\$1,185,207. The amount for director remuneration is NT\$592,604. Both are issued in cash.
3. The amount of distribution is consistent with the estimated amount of annual expense recognition.

(IV) Subject Matter: 2023 Profit Distribution Cash Dividend Report is submitted for review.

Illustration: 1. According to Article 27 of the Articles of Association, the board of directors is authorized to issue all or part of the distributable dividend and bonus in cash through resolution and file a report to the shareholders' meeting.
2. For 2023 profit distribution, NT\$56,338,105 is provisioned as shareholder bonus. Cash dividend will be issued at NT\$0.65 per share, rounded down to the minimum of NT\$1. The sum of fractional amounts shall be included as "other income" of the Company.
3. This proposal has been approved by board resolution. A board meeting will be further convened to determine the record date, issue date and other relevant matters. If the distribution ratio changes subsequently due to change in the number of outstanding ordinary shares of the Company, the chairman of the board of directors is authorized to make adjustment with full discretion.

- (V) Other Report: As of 28 March 2024 (shareholder proposal period from 18 March 2024 to 28 March 2024), other than the proposals passed in the second meeting of the Company's board of directors this year on 27 February 2024, the Company did not receive any other shareholder proposal.

Approvals

- (I) Subject Matter: 2023 Business Report and Financial Statements are submitted for approval. (Proposal by Board of Directors)

- Illustration: 1. 2023 Financial Statements, including balance sheet, profit and loss statement, equity variation statement and cash flow statement, have been audited by CPA Hsu, Rong-Huang and Huang, Chien-Tze of Ernest & Young, with a clean audit report issued. The audit committee has also inspected the statements and issued a written audit report. Please refer to page 13 of this Handbook [Attachment 2].
2. For 2023 Business Report and Financial Statements (including statutory and consolidated financial statements) and the CPA's audit report, please refer to pages 8-12 [Attachment 1] and pages 14-33 [Attachment 3] of this Handbook.

Resolution:

- (II) Subject Matter: 2023 Profit Distribution Proposal is submitted for approval. (Proposal by Board of Directors)

Illustration: For 2023 Profit Distribution Proposal, please refer to page 34 of this Handbook [Attachment 4].

Resolution:

Discussions

(III) Subject Matter: Amendment to the Company's Rules of Procedure for Shareholders' Meetings is submitted for discussion. (Proposal by the Board of Directors)

- Illustration:
1. In accordance with letter from the Taiwan Stock Exchange Corporation Tai-Zheng-Zhi-Li-Zi No. 1120004167 dated 17 March 2023.
 2. It is proposed that relevant clauses of the Company's Rules of Procedure for Shareholders' Meetings be amended accordingly. For the clauses before and after amendment, please refer to page 35-40 of this Handbook [Attachment 5].

Resolution:

Extempore Motions

Adjournment

Attachment

Business Report

The epidemic gradually came under control in 2023, but the economy is facing significant changes. The recent economic situation at home and abroad has witnessed weakening demand due to factors such as high inflation and extreme weather. Global raw material prices have continued to rise in recent years, with many raw material prices even reaching record highs. This has had a great impact on the food industry. In the context of such economic and social changes, Hunya will be required to respond more flexibly, and it will uphold stable product quality and create better, stronger brand competitiveness to give back to consumers and the public.

To become an important "Comfort Food" brand in the minds of Taiwanese consumers, Hunya's strategy is to enhance its brand power, boost the Gen-Z consumer group, and successfully launch products that meet trends and needs. Under this strategy, we will enhance brand equity and business influence through accurate and insightful marketing communication, unique brand proposals, and competitive Share of Voice (SOV), attracting new Gen-Z consumers and consolidating existing ones through brand rejuvenation and strategic cooperation. We also aim to increase brand penetration and revitalize brand momentum through the launch of new products with consumer insights, in line with market trends, to meet consumer needs. Media voice/marketing communication will therefore be precisely targeted at consumer-users and combined with the channel mix and product mix corresponding to consumer behavior to form a systematic product development strategy with improved near-term benefits.

Faced with the strong development of modern channels, the tightening of bargaining space, diversity demands to survive and transform channels, the increase of R&D and production costs, and the boom of e-commerce, Hunya, as a food manufacturer, is under pressure to operate under continuously squeezed profitability; solutions are as follows:

- Segmented channel-based product strategy
- Low-volume, high-variety production line layout and R&D strategy
- Digital, self-owned channels, and the deployment of talent
- Partnering in the development of channel products

The results of product development in 2023 are a testament to Hunya's efforts and effectiveness in core product development:

- Awarded four stars in the ITQI Global Sweet Snacks, Biscuit Bars, Cookies, Chocolate, and Confectionery Snacks categories.
- ALWAYS 90% Pingtung Cocoa Dark Chocolate won the gold medal in the 2023 Monde Selection International Quality Awards. The Noble Pie peanut flavor won the silver medal in the 2023 Monde Selection International Quality Awards.
- Short bread and ALWAYS 85% dark chocolate have been certified by A.A. TASTE AWARDS.

In terms of smart manufacturing development, Hunya has completed the first stage of digital transformation since implementing SAP and ERP in 2019, and is now in the second stage of smart manufacturing, introducing MES and WMS, and expanding to SCM platform tandem planning. We are planning for future AI-related applications in combination with the Hunya BI Strategy Office to achieve the complete implementation of smart manufacturing. In 2023, we introduced the supply chain integration service platform to promote data acquisition, including logistics management, and warehousing environment management (temperature, humidity, and smart equipment monitoring, etc.). Combined with big data AI analysis technology, we are successfully integrating upstream and downstream information in the industry chain to achieve overall control of raw material supply and product quality, receiving subsidies from the Ministry of Economic Affairs for our low-carbon and smart upgrading and transformation activities.

Facing changes and challenges in the general business environment, the Company's strategic development direction is as follows:

- Bringing consumers a satisfying Taiwanese casual snacking experience with deliciousness and peace of mind (77).
- Featuring local ingredients, French techniques, lifestyle, comfortable space, and professional service to make Rivon a stylish bakery gift store (Rivon).
- Becoming the most suitable pipeline for the circulation of domestic and foreign specialty goods.
- Creating an efficient green plant with sustainable cycles and leading technology.
- Shortening time and distance with digital technology to quickly meet consumer needs (digital transformation).

With deep commitment to corporate social responsibility and sustainable management, Hunya received the AREA (Asia Responsible Enterprise Awards) Green Leadership Award, the only award in the food industry in Taiwan, and the 2023 TCSA Taiwan Corporate Sustainability Award – Food & Beverage and Food Industry – Platinum Award and Sustainability Action Bronze Award (SDG12). Hunya will continue to establish a sustainable enterprise centered on wellbeing in Taiwan with our three major cores values (trust, passion, and innovation) throughout our five main operation perspectives.

Operating results for 2023 are as follows:

1. Implementation Results of the Business Plan

The Company's consolidated net operating revenue for 2023 was NT\$1,929,953,000, a decrease of NT\$178,700,000 (8.47% decrease) compared to the consolidated net operating revenue for 2022 of NT\$2,108,653,000. Pre-tax income was NT\$466,846,000 in 2023, a decrease of NT\$431,643,000 compared with pre-tax income of 2022 of NT\$466,846,000. The gains on disposals of property, plant, and equipment for 2023 was NT\$445,345,000.

2. Budget Implementation

Unit: NT\$ thousand

Item \ Year	2023		
	Actual amount	Budget amount	Achievement rate (%)
Net operating income	1,929,953	2,017,911	95.6%
Gross Profit	537,476	531,614	101.1%
Operating profit	13,194	15,502	85.1%
Net profit before tax	35,203	18,502	190.3%

The budget implementation is still in line with expectations, with revenue and gross profit achieving over 95%. Gross profit was mainly achieved by an increase in the product portfolio and capacity utilization rate, and good control of the fixed nature of various expenses.

3. Financial Revenue and Profitability Analysis

(1) Financial income and expenditure

Unit: NT\$ thousand

Item	2023	2022	Increase (Decrease) Amount	Increase (Decrease) %
Net operating income	1,929,953	2,108,653	(178,700)	(8.47%)
Gross Profit	537,476	568,730	(31,254)	(5.50%)
Operating profit	13,194	4,372	8,822	201.78%
Net profit before tax	35,203	466,846	(431,643)	(92.46%)
Net profit after tax	15,690	424,156	(408,466)	(96.30%)

Consolidated net operating income decreased by 8.47%, gross profit decreased by 5.50%, operating income increased by 201.78% and net income decreased by 96.30% for 2023 compared to 2022. The increase in non-operating income was mainly due to the disposal of property, plant, and equipment, which resulted in an increase of NT\$445,345,000 for the last year.

(2) Profitability analysis

Item	2023	2022
Return on Assets (%)	0.59	11.36
Return on Equity (%)	0.59	16.76
Operating Income to Paid-in Capital Ratio (%)	1.52	0.40
Income Before Tax to Paid-in Capital Ratio (%)	4.06	43.09
Net Profit Margin (%)	0.81	20.12
Earnings per share after tax (NT\$)	0.16	3.91

According to profitability indicators, the Company's profitability in 2023 was lower than that in 2022 due to the additional non-operating income from the gains on disposals of property, plant, and equipment.

4. Research and Development

In terms of research and development, the application of various functional materials, such as GABA, lactic acid bacteria, food fiber, immunity enhancement, and bone strengthener, etc., and market consumption needs better highlight the characteristics of our products. The development of products with high profitability, organic, no additives, reduced sugar, high protein, plant heat, natural ingredients, innovation, and highlights can only obtain attention from the market and consumers, thus enhancing product value and market share. We can improve the manufacturing efficiency and performance of current equipment in the factory with flexible manufacturing by deriving new products with minimum investment. We are conducting deeper research into core technologies, analyzing resource consumption (raw materials, energy, manpower), technology levels, and low variability for improvement, and then unifying more advanced processes.

II. 2023 Business Plan Overview

(I) Guideline for management:

Looking ahead, we will continue to develop new products and markets, and meet the real needs of consumers. We will continue to strengthen our supply chain management and manufacturing process to improve yield, reduce costs, and strictly improve food safety and competitiveness. We are confident that we can improve our operating performance and generate greater profit in the new year.

1. To be the leading "comfort food" brand, we continue to introduce healthy and quality products to create a win-win situation for our customers and achieve good results.
2. We plan our financial structure carefully, strengthen our corporate governance, and actively supervise and manage our operations through strict budget control and financial auditing to improve operational performance, maximizing the interests of our shareholders, valuing the welfare of our employees, and actively contributing to society.
3. We continue to digitize and smarten business processes to improve the flexibility and efficiency of internal and external feedback and response mechanisms.

(II) Potential impact and the basis of expected sales quantities

Prepared by the Company's management unit in accordance with operating trends and annual plans:

Product items	Expected sales quantity (boxes)
Chocolate (candy)	872,564
Wafer biscuits	6,207,540
Wedding cake (pastry)	1,118,579
Other	250,000

(III) Major production and sales policies:

1. We have developed a variety of products to meet the needs of consumers by focusing on the ingredients and functionality of our products.
2. To boost the share of sales of high-end wedding cakes and festive products, we have been promoting souvenir and retail products.
3. We are actively expanding into global markets with our local production advantages.
4. Production development uses renewable energy in a circular economy and reduces waste by redesigning materials, products, processes, and business models. We will continue to pursue our strategy of "local sustainability and wellbeing".

The Company's management team takes people as the target, builds on the foundation of five strategic axes, creates sustainable management, and transmits happiness to the five stakeholder groups: it communicates with consumers on the product side to share the sweet taste of peace of mind, enables the next generation to inherit a fresh and abundant future on the environmental side, creates a mutually beneficial and co-prosperous relationship with partners, injects joyful and positive energy into society, and creates a vibrant and friendly workplace for employees. **We create "Happy Moments" for our customers with sincerity, and we hope that happiness lasts not only for a moment, but forever.** Today, we are proud to have the opportunity to report to all shareholders on our 2023 operating profile. We continue to thank all shareholders for their support and love in the new year, and will work even harder to create even greater results to share with all shareholders.

Chairperson: Yun-Chi Chang

Managerial Officer: Yun-Chi Chang

Finance and Accounting Supervisor: Tsai-Yun Yu

Audit Committee's Review Report

The Board of Directors has prepared and submitted to the undersigned, the Audit Committee of Hunya Foods Co., Ltd., the 2023 financial statements (including consolidated and individual financial reports), profit distribution, business report, and proposals thereof, wherein the 2023 financial statements have been reviewed by CPAs of Ernst & Young, LLP, and concluded with an audit report without reservation. The aforesaid financial statements, profit distribution, business report, and proposals thereof have been examined by the Audit Committee with the opinion that they are not yet inconsistent, hence we hereby report the above in accordance with the provisions in the Article 14-4 of Taiwan Securities and Exchange Act and Article 219 of Taiwan Company Act for the review and approval of all our shareholders.

All the best,

Hunya Foods Co., Ltd.

2024 Annual Meeting of Shareholders

Convener of the Audit Committee: Tsung-Pen, Chang

February 27, 2024

To Hunya Foods Co. Ltd.:

Opinions

We have audited the Parent Company Only Balance Sheet of Hunya Foods Co. Ltd. as of December 31, 2023 and 2022, Parent Company Only Statements of Comprehensive Income, Parent Company Only Statements of Changes in Equity, Parent Company Only Statements of Cash Flows, and Notes to Parent Company Only Financial Statements (including Summary of Significant Accounting Policies) for the annual periods from January 1 to December 31, 2023 and 2022.

In our opinion, the aforementioned Parent Company Only Financial Statements present fairly, in all material respects, the financial position of Hunya Foods Co. Ltd. as of December 31, 2023, and 2022, and its financial performance and cash flows for the annual periods ended December 31, 2023, and 2022, in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."

Basis for Opinions

We conducted our audit in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and auditing standards generally accepted in 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 Hunya Foods Co. Ltd. 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 key matters refer to those most material key matters for the audit on the Parent Company Only Financial Statements of the year 2023 of Hunya Foods Co. Ltd., based on the professional judgment of the accountant. These matters were addressed in the context of our audit of the Parent Company Only Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Inventory valuation

As of December 31, 2023, Hunya Foods Co. Ltd.'s inventory amounts to NT\$262,775 thousand and accounts for 7% of total parent company only assets and was material to the financial statements. Since the prices of inventory products are subject to competition from industry peers and may decrease, and since inventories are evaluated based on the number of days to expiration, the calculation of the net realizable value of inventories is complicated. Therefore, inventory evaluation is one of the important evaluation items in the accountant's auditing on the financial review of Hunya Foods Co. Ltd. Our audit procedures include, but are not limited to, those relating to the following: Understanding the internal control system established by management for inventory valuation management, evaluating the net realizable value estimated by management for inventory valuation, including sampling the relevant import and export certificates used by management to evaluate the net realizable value of inventory to verify the net realizable value used by management; sampling the inventory inbound and outbound records to verify the correctness of inventory aging and the reasonableness of the allowance for doubtful losses based on inventory aging; and conducting analytical procedures for inventory balances and inventory turnover rates. We also consider the appropriateness of the disclosure of inventories in the parent company only financial statements, as described in Note 4.9, Note 5 and Note 6 to the parent company only financial statements.

Loss allowance for accounts receivable

As of December 31, 2023, the carrying amounts of accounts receivable and allowance for losses of Hunya Foods Co. Ltd. were NT\$331,560 thousand and NT\$997 thousand, respectively, and the net accounts receivable accounted for 9% of total individual assets and were material to the financial statements. Since the allowance for losses on accounts receivable is measured based on the expected credit losses over the period of time, the measurement process requires appropriate grouping of accounts receivable and judgmental analysis of the use of assumptions related to the measurement process, including the appropriate aging range, the loss rate for each aging range and the consideration of forward-looking information. Therefore, this is one of the important evaluation items in the accountant's auditing on the financial review of Hunya Foods Co. Ltd. Our audit procedures include, but are not limited to, those relating to the following: Verifying if customer groups with significantly different loss types are appropriately grouped; testing the reserve matrix, including assessing the reasonableness of the determination of the age range of each group and checking the correctness of the original evidence against the underlying information; testing statistical information related to loss ratio calculated by rolling rate; considering the reasonableness of the forward-looking information included in the loss ratio assessment; and assessing whether such forward-looking information affects the loss ratio. In addition, we perform analytical review procedures to evaluate whether there is any significant abnormality in the two-period comparison of the changes in accounts receivable. The collectability of

accounts receivable is evaluated by reviewing the collection status of accounts receivable after the due date for customers with large receivable balances at the end of the period. We also considered the appropriateness of the disclosure of accounts receivable in the parent company only financial statements as described in Note 5, Note 6 and Note 12.4 to the parent company only financial statements.

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

To ensure that the Parent Company Only Financial Statements do not contain material misstatements caused by fraud or errors, the management is responsible for preparing prudent Parent Company Only Financial Statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for preparing and maintaining necessary internal control procedures pertaining to the Parent Company Only Financial Statements.

In preparing the Parent Company Only Financial Statements, the management is responsible for assessing Hunya Foods Co. Ltd.'s ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless the management either intends to liquidate Aurora Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the Audit Committee, are responsible for overseeing Hunya Foods Co. Ltd.'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 misstatements, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

1. Identify and evaluate the risk of material misstatements due to fraud or error in the Parent Company Only Financial Statements; design and carry out appropriate countermeasures for the evaluated risk; and obtain sufficient and appropriate evidence as the basis for audit 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 controls 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 internal controls of Hunya Foods Co. Ltd.
3. Assess the appropriateness of the accounting policies adopted by the management, as well as the reasonableness of their accounting estimates and relevant disclosures.
4. Conclude on the appropriateness of the 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 Hunya Foods Co. Ltd.'s ability to operate 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 Hunya Foods Co. Ltd. to cease to continue as a going concern.
5. Evaluate the overall expression, structure and contents of the Parent Company Only Financial Statements (including relevant Notes), and whether the Parent Company Only Financial Statements fairly present relevant transactions and items.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Hunya Foods Co. Ltd. to express an opinion on the Parent Company Only Financial Statements. We are responsible for the direction, supervision, and performance of the audit and for expressing an opinion on the Group's audits.

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 the key audit matters of Hunya Foods Co. Ltd.'s Parent Company Only Financial Statements for the year ended December 31, 2023. 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.

Ernst & Young, Taiwan
Financial Report of TWSE Listed Company as Authorized by
the Competent Authority
Auditing and Attestation No.: No. FSC (6) No. 0930133943
No. FSC (6) No. 0970038990

CPA: Rung-Huang Shiu
Jian-Tze Huang

February 27, 2024

Hunya Foods Co., Ltd.
Balance Sheets
January 1 to December 31, 2023 and 2022

Assets			Liabilities and Equity			Expressed in Thousands of New Taiwan Dollars		

Hunya Foods Co., Ltd.
Statements of Comprehensive Income
January 1 to December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars, Except Earnings Per Share)

Expressed in Thousands of New Taiwan Dollars						
Code	Account Names	Note	2023		2022	
			Amount	%	Amount	%
4000	Operating revenue	4 and 6	\$1,750,034	100	\$1,871,540	100
5000	Operating costs	6 and 7	(1,239,766)	(71)	(1,356,013)	(72)
5900	Gross profit from operations		510,268	29	515,527	28
5920	Realized profit from sales		-	-	57	-
5950	Gross profit from operations		510,268	29	515,584	28
6000	Operating expenses	6				
6100	Selling expenses		(378,495)	(22)	(384,862)	(21)
6200	Administrative expenses		(91,127)	(5)	(116,976)	(6)
6300	Research and development expenses		(24,407)	(1)	(18,129)	(1)
6450	Expected credit loss (gain)		-	-	(9,983)	(1)
	Total operating expenses		(494,029)	(28)	(529,950)	(29)
6900	Net operating income (loss)	4 and 6	16,239	1	(14,366)	(1)
7000	Non-operating income and expenses					
7010	Other income	4 and 6	24,989	1	29,016	2
7020	Other gains and losses	6 and 7	1,086	-	437,955	23
7050	Finance costs	6	(9,878)	-	(7,596)	-
7070	Share of profit (loss) of subsidiaries, affiliated enterprises and joint ventures accounted for using equity method		2,749	-	18,819	1
	Total non-operating income and expenses		18,946	1	478,194	26
7900	Profit before tax		35,185	2	463,828	25
7950	Tax expenses	4 and 6	(19,495)	(1)	(39,672)	(2)
8200	Profit		15,690	1	424,156	23
8300	Other comprehensive income					
8310	Components of other comprehensive income that will not be reclassified to profit or loss	6				
8311	Gains (losses) on remeasurements of defined benefit plans		(4,392)	-	6,163	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income		(204,422)	(12)	442,030	23
8330	Share of other comprehensive income of subsidiaries, affiliated enterprises and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		(51)	-	432	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss		(4,072)	-	(14,811)	-
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss	6				
8361	Exchange differences on translation of foreign financial statements		928	-	(58)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss		-	-	11	-
	Other comprehensive income, net		(212,009)	(12)	433,767	23
8500	Total comprehensive income		\$(196,319)	(11)	\$857,923	46
8600	Profit attributable to:					
8610	owners of parent		\$15,690		\$424,156	
8700	Total comprehensive income attributable to:					
8710	owners of parent		\$(196,319)		\$857,923	
	Earnings per common share (expressed in dollars)					
9750	Basic earnings per share					
9710	Profit from continuing operations	6	\$0.16		\$3.91	

(See accompanying notes to parent company only financial statements.)

Chairperson: Yun-Chi Chang

Manager: Yun-Chi Chang

Accounting Manager: Tsai-Yun Yu

Hunya Foods Co., Ltd.

Statements of Changes in Equity

January 1 to December 31, 2023 and 2022

Item	Equity Attributable to Owners of Parent					Expressed in Thousands of New Taiwan Dollars		
	Share Capital	Capital Surplus	Retained Earnings		Unappropriated Earnings	Other Equity Interest		Total Equity
			Legal Reserve			Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Equity Instruments Measured at Fair Value Through Other	
Balance at January 1, 2022	\$1,083,425	\$33,842	\$255,841		\$188,486	\$(881)	\$567,778	\$2,128,491
Balance at January 1, 2022	-	363	-		-	-	-	363
Changes in other capital reserves								
Other								
Earnings assignment and distribution in 2021:								
Legal reserve	-	-	5,592		(5,592)	-	-	-
Cash dividends	-	-	-		(54,171)	-	-	(54,171)
Net profit for 2022	-	-	-		424,156	-	-	424,156
Other comprehensive income for 2022					5,362	(47)	428,452	433,767
designated at fair value through other					429,518	(47)	428,452	857,923
Balance at December 31, 2022	\$1,083,425	\$34,205	\$261,433		213,722	-	(213,722)	-
					\$771,963	\$(928)	\$782,508	\$2,932,606
Balance at January 1, 2023	\$1,083,425	\$34,205	\$261,433		\$771,963	\$(928)	\$782,508	\$2,932,606
Earnings assignment and distribution in 2022:								
Legal reserve	-	-	64,324		(64,324)	-	-	-
Cash dividends	-	-	-		(108,343)	-	-	(108,343)
Net profit for 2023	-	-	-		15,690	-	-	15,690
Other comprehensive income for 2023					(3,565)	928	(209,372)	(212,009)
Total comprehensive income	-	-	-		12,125	928	(209,372)	(196,319)
designated at fair value through other					78,755	-	(78,755)	-
Capital reduction by cash	(216,685)	-	-		-	-	-	(216,685)
Balance at December 31, 2023	\$866,740	\$34,205	\$325,757		\$690,176	\$-	\$494,381	\$2,411,259

(See accompanying notes to parent company only financial statements.)

Chairperson: Yun-Chi Chang

Manager: Yun-Chi Chang

Accounting Manager: Tsai-Yun Yu

Hunya Foods Co., Ltd.
Statements of Cash Flows
January 1 to December 31, 2023 and 2022

Expressed in Thousands of New Taiwan Dollars

Item	2023	2022
	Amount	Amount
Cash flows from operating activities:		
Profit before tax	\$35,185	\$463,828
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	133,085	136,358
Amortization expense	39,624	39,621
Interest expense	9,878	7,596
Interest income	(1,160)	(242)
Other income	(260)	(164)
Share of profit (loss) of subsidiaries, affiliated enterprises and joint ventures accounted for using equity method	(2,749)	(18,819)
Realized profit from sales	-	(57)
Gains on disposal of property, plant and equipment	1,367	(445,113)
Gains on disposals of investments	(2,710)	-
Losses on disposals of property, plant and equipment	397	-
Effects of Changes in Foreign Exchange Rates	(1,899)	5,074
Other income - Gain recognized in bargain purchase transaction	-	(8,520)
Changes in operating assets and liabilities:		
Decrease (increase) in notes receivable	(2,089)	894
Decrease (increase) in accounts receivable	82,763	(43,547)
Decrease (increase) in accounts receivable from related parties	(3,636)	22,766
Decrease (increase) in other receivables	(1,294)	202
Decrease (increase) in other receivables from related parties	59	(59)
Decrease (increase) in inventories	(38,666)	26,535
Decrease (increase) in prepayments	9,844	(5,797)
Decrease (increase) in other current assets	30,255	(26,220)
Increase (decrease) current contract liabilities	17,562	(14,143)
Increase in notes payable	(727)	463
Decrease in accounts payable	(9,154)	(7,341)
Increase (decrease) in accounts payable from related parties	(91)	106
Increase (decrease) in other payables	(35,448)	50,345
Increase (decrease) in other current liabilities	13,617	(327)
Increase (decrease) in net defined benefit liability	585	(4,284)
Cash generated from operations	274,338	179,155
Interest income received	1,160	242
Interest paid	(9,081)	(7,064)
Income tax paid	(14,579)	(41,623)
Net cash generated from operating activities	251,838	130,710
Cash flows from investing activities:		
Increase in investments accounted for using equity method	-	(175,000)
Acquisition of property, plant and equipment	(154,408)	(309,573)
Proceeds from disposal of property, plant and equipment	160	463,638
Invest in financial assets at fair value through other comprehensive income	-	(95,000)
Proceeds from disposal of financial assets at fair value through other comprehensive income	101,879	284,147
Increase in intangible assets	(8,632)	(3,396)
Decrease in refundable deposits	928	328
Increase in other non-current assets	(83,602)	(168,247)
Net cash flows used in investing activities	(143,675)	(3,103)
Cash flows from financing activities:		
Cash dividends paid	(108,343)	(54,171)
Increase (decrease) in short-term borrowings	5,133	(15,133)
Decrease in short-term notes and bills payable	-	(69,978)
Increase (decrease) current portion of long-term borrowings	22,222	(60,000)
Increase (decrease) in long-term borrowings	196,111	(61,111)
Increase in other non-current liabilities	1,602	217
Increase in capital surplus - others	-	363
Payments of lease liabilities	(18,258)	(19,074)
Capital reduction by cash	(216,685)	-
Net cash flows used in financing activities	(118,218)	(278,887)
Effects of exchange rate changes on cash and cash equivalents	1,899	(5,074)
Net decrease in cash and cash equivalents	(8,156)	(156,354)
Cash and cash equivalents at the beginning of the year	49,842	206,196
Cash and cash equivalents at the end of the year	\$41,686	\$49,842

(See accompanying notes to parent company only financial statements.)

Chairperson: Yun-Chi Chang

Manager: Yun-Chi Chang

Accounting Manager: Tsai-Yun Yu

Declaration of Consolidated Financial Statements of Affiliates

The entities that are required to be included in the combined financial statements of Hunya Foods Co., Ltd for 2023 (January 1, 2023 to December 31, 2023), under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard 10, "Consolidated Financial Statements." In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Hunya Foods Electronics Co., Ltd. and Subsidiaries do not prepare a separate set of combined financial statements.

Sincerely,

Name of Company: Hunya Foods Co., Ltd.
Chairman: Yun-Chi Chang
February 27, 2024

Independent Auditors' Report

Hunya Foods Co., Ltd.:

Opinions

We have audited the accompanying consolidated balance sheets of Hunya Foods Co., Ltd. and its subsidiaries (the "Group") as of December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023 and 2022, and notes to the consolidated financial statements, including the summary of significant accounting policies (collectively "the consolidated financial statements").

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Hunya Foods Co., Ltd. and its subsidiaries as of December 31, 2023 and 2022, and their consolidated financial performance and cash flows for the years ended December 31, 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Basis for Opinions

We conducted our audits in accordance with the Regulations Governing the Auditing and Attestation of Financial Statements by Certified Public Accountants and Auditing Standards. 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 Hunya Foods Co., Ltd. and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China ("The Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of Hunya Foods Co., Ltd. and its subsidiaries for the year ended December 31, 2023. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Inventory valuation

As of December 31, 2023, Hunya Foods Co., Ltd. and its subsidiaries' inventory amounts to NT\$270,006 thousand and accounts for 7% of the consolidated total asset, which is material to the financial statements. Since the prices of inventory products are subject to competition from industry peers and may decrease, and since inventories are evaluated based on the number of days to expiration, the calculation of the net realizable value of inventories is complicated. Therefore, inventory evaluation is one of the important evaluation items in the accountant's auditing on the financial review of Hunya Foods Co. Ltd. and its subsidiaries. Our audit procedures include, but are not limited to, those relating to the following: Understanding the internal control system established by management for inventory valuation management, evaluating the net realizable value estimated by management for inventory valuation, including sampling the relevant import and export certificates used by management to evaluate the net realizable value of inventory to verify the net realizable value used by management; sampling the inventory inbound and outbound records to verify the correctness of inventory aging and the reasonableness of the allowance for doubtful losses based on inventory aging; and conducting analytical procedures for inventory balances and inventory turnover rates. We also consider the appropriateness of the disclosure of inventories in the consolidated financial statements, as described in Note 4.10, Note 5 and Note 6 to the consolidated financial statements.

Loss allowance for accounts receivable

As of December 31, 2023, the carrying amounts of accounts receivable and allowance for losses of Hunya Foods Co. Ltd. and its subsidiaries were NT\$360,818 thousand and NT\$997 thousand, respectively, and the net accounts receivable accounted for 9% of total individual assets and were material to the financial statements. Since the allowance for losses on accounts receivable is measured based on the expected credit losses over the period of time, the measurement

process requires appropriate grouping of accounts receivable and judgmental analysis of the use of assumptions related to the measurement process, including the appropriate aging range, the loss rate for each aging range and the consideration of forward-looking information. Therefore, this is one of the important evaluation items in the accountant's auditing on the financial review of Hunya Foods Co. Ltd. and its subsidiaries. Our audit procedures include, but are not limited to, those relating to the following: Verifying if customer groups with significantly different loss types are appropriately grouped; testing the reserve matrix, including assessing the reasonableness of the determination of the age range of each group and checking the correctness of the original evidence against the underlying information; testing statistical information related to loss ratio calculated by rolling rate; considering the reasonableness of the forward-looking information included in the loss ratio assessment; and assessing whether such forward-looking information affects the loss ratio. In addition, we perform analytical review procedures to evaluate whether there is any significant abnormality in the two-period comparison of the changes in accounts receivable. The collectability of accounts receivable is evaluated by reviewing the collection status of accounts receivable after the due date for customers with large receivable balances at the end of the period. We also considered the appropriateness of the disclosure of accounts receivable in the consolidated financial statements as described in Note 5, Note 6 and Note 12.4 to the consolidated financial statements.

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

To ensure that the Consolidated Financial Statements do not contain material misstatements caused by fraud or errors, the management is responsible for preparing prudent Consolidated Financial Statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for preparing and maintaining necessary internal control procedures pertaining to the Consolidated Financial Statements.

In preparing the Consolidated Financial Statements, the management is responsible for assessing Hunya Foods Co. Ltd. and its subsidiaries' ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless the management either intends to liquidate Hunya Foods Co. Ltd. and its subsidiaries 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 Hunya Foods Co. Ltd. and its subsidiaries' 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 misstatements, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

1. Identify and evaluate the risk of material misstatements due to fraud or error in the Consolidated Financial Statements; design and carry out appropriate countermeasures for the evaluated risk; and obtain sufficient and appropriate evidence as the basis for audit 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 controls 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 internal controls of Hunya Foods Co. Ltd. and its subsidiaries.
3. Assess the appropriateness of the accounting policies adopted by the management, as well as the reasonableness of their accounting estimates and relevant disclosures.
4. Conclude on the appropriateness of the 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 Hunya Foods Co., Ltd. and its subsidiaries' ability to operate 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 Hunya Foods Co., Ltd. and its subsidiaries to cease to continue as a going concern.

5. Evaluate the overall expression, structure and contents of the Consolidated Financial Statements (including relevant Notes), and whether the Consolidated Financial Statements fairly present relevant transactions and items.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Hunya Foods Co., Ltd. and its subsidiaries to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision, and performance of the audit and for expressing an opinion on the Group's audits.

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 the key audit matters of Hunya Foods Co., Ltd. and its subsidiaries' Consolidated Financial Statements for the year ended December 31, 2023. 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.

Others

We have also audited the Parent Company Only Financial Statements of Hunya Foods Co., Ltd. for the years ended December 31, 2023 and 2022, on which we have issued an unqualified opinion.

Ernst & Young, Taiwan

Financial Report of TWSE Listed Company as Authorized by
the Competent Authority

Auditing and Attestation No.: No. FSC (6) No. 0930133943
No. FSC (6) No. 0970038990

CPA: Rung-Huang Shiu

Jian-Tze Huang

February 27, 2024

Hunya Foods Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
January 1 to December 31, 2023 and 2022

Assets		December 31, 2023				December 31, 2022				Liabilities and Equity		December 31, 2023				December 31, 2022			
Code	Account Names	Note	Amount	%		Amount	%			Code	Account Names	Note	Amount	%		Amount	%		
1100 1150 1170 1200 1220 130x 1410 1470 11xx	Current assets										Current liabilities	6							
	Cash and cash equivalents	4 and 6	\$118,829	3		\$68,219	2	2100			Short-term borrowings		\$50,000	1		\$44,867	1		
	Notes receivable, net	4 and 6	6,128	-		4,187	-	2130			Current contract liabilities		37,014	1		19,452	1		
	Accounts receivable, net	4 and 6	359,821	9		446,979	11	2150			Notes payable		20,326	-		16,189	-		
	Other receivables		1,620	-		195	-	2180			Accounts payable		205,456	5		216,170	5		
	Current tax assets		86	-		-	-	2200			Other payables		272,576	7		309,308	9		
	Inventories	4 and 6	270,006	7		234,250	6	2230			Current tax liabilities	4 and 6	23,686	1		13,575	-		
	Prepayments		15,099	1		24,961	-	2280			Current lease liabilities	4 and 6	15,781	-		14,354	-		
	Other current assets	8	2,042	-		32,310	1	2300			Other current liabilities		33,460	1		19,830	1		
	Total current assets		773,631	20		811,101	20	2322			Current portion of long-term borrowings	6	22,222	2		-	-		
								21xx			Total current liabilities		680,521	18		653,745	17		
1517 1600 1755 1760 1780 1840 1900 15xx	Non-current assets										Non-current liabilities								
	Non-current financial assets at fair value through other comprehensive income	4 and 6	708,418	19		1,014,719	25	2540			Long-term borrowings	6	685,000	18		488,889	12		
	Property, plant and equipment	4 and 6	1,838,907	48		1,811,357	44	2570			Deferred tax liabilities	4 and 6	10,058	-		15,499	-		
	Right-of-use assets	4 and 6	37,078	1		30,733	1	2580			Non-current lease liabilities	4 and 6	21,663	1		16,795	-		
	Investment property, net	4 and 6	186,807	5		165,205	4	2600			Other non-current liabilities		5,433	-		4,211	-		
	Intangible assets	4 and 6	16,739	-		16,275	-	2640			Net defined benefit liability	4 and 6	15,039	-		11,091	-		
	Deferred tax assets	4 and 6	20,258	1		19,974	-	25xx			Total non-current liabilities		737,193	19		536,485	12		
	Other non-current assets	4 and 6	247,135	6		253,472	6	2xxx			Total liabilities		1,417,714	37		1,190,230	29		
	Total non-current assets		3,055,342	80		3,311,735	80												
											Equity attributable to owners of parent								
								31xx			Share capital								
								3100			Ordinary shares	6	866,740	23		1,083,425	26		
1xxx								3110			Capital surplus	6	34,205	1		34,205	1		
								3200			Retained earnings								
								3300			Legal reserve		325,757	8		261,433	6		
								3310			Unappropriated retained earnings	6	690,176	18		771,963	19		
								3350			Total retained earnings		1,015,933	26		1,033,396	25		
											Other equity interest		494,381	13		781,580	19		
								3400			Total equity		2,411,259	63		2,932,606	71		
	Total assets		\$3,828,973	100		\$4,122,836	100	3xxx			Total liabilities and equity		\$3,828,973	100		\$4,122,836	100		

(See accompanying notes to consolidated financial statements.)

Chairperson: Yun-Chi Chang

Manager: Yun-Chi Chang

Accounting Manager: Tsai-Yun Yu

Hunya Foods Co., Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
January 1 to December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars, Except Earnings Per Share)

Expressed in Thousands of New Taiwan Dollars

Code	Account Names	Note	2023		2022	
			Amount	%	Amount	%
4000	Operating revenue	4 and 6	\$1,929,953	100	\$2,108,653	100
5000	Operating costs	6 and 7	(1,392,477)	(72)	(1,539,923)	(73)
5900	Gross profit from operations		537,476	28	568,730	27
6000	Operating expenses	6				
6100	Selling expenses		(403,106)	(21)	(419,121)	(20)
6200	Administrative expenses		(96,769)	(5)	(127,242)	(6)
6300	Research and development expenses		(24,407)	(1)	(17,995)	(1)
	Total operating expenses		(524,282)	(27)	(564,358)	(27)
6900	Net operating income	4 and 6	13,194	1	4,372	-
7000	Non-operating income and expenses					
7010	Other income	4 and 6	26,738	1	31,895	2
7020	Other gains and losses	6 and 7	5,149	-	438,428	20
7050	Finance costs	6	(9,878)	-	(7,849)	-
	Total non-operating income and expenses		22,009	1	462,474	22
7900	Profit before tax		35,203	2	466,846	22
7950	Tax expenses	4 and 6	(19,513)	(1)	(42,690)	(2)
8200	Profit		15,690	1	424,156	20
8300	Other comprehensive income					
8310	Components of other comprehensive income that will not be reclassified to profit or loss	6				
8311	Gains (losses) on remeasurements of defined benefit plans		(4,456)	-	6,703	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income		(204,422)	(11)	442,030	21
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss		(4,059)	-	(14,919)	-
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss	6				
8361	Exchange differences on translation of foreign financial statements		928	-	(58)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss		-	-	11	-
	Other comprehensive income, net		(212,009)	(11)	433,767	21
8500	Total comprehensive income		<u>\$(196,319)</u>	<u>(10)</u>	<u>\$857,923</u>	<u>41</u>
8600	Profit attributable to:					
8610	owners of parent		<u>\$15,690</u>		<u>\$424,156</u>	
8700	Total comprehensive income attributable to:					
8710	owners of parent		<u>\$(196,319)</u>		<u>\$857,923</u>	
	Earnings per common share (expressed in dollars)					
9750	Basic earnings per share					
9710	Profit from continuing operations	6	<u>\$0.16</u>		<u>\$3.91</u>	

(See accompanying notes to consolidated financial statements.)

Chairperson: Yun-Chi Chang

Manager: Yun-Chi Chang

Accounting Manager: Tsai-Yun Yu

Hunya Foods Co., Ltd. and Subsidiaries
Consolidated Statements of Changes in Equity
January 1 to December 31, 2023 and 2022

Item	Equity Attributable to Owners of Parent						Expressed in Thousands of New Taiwan Dollars	
	Share Capital	Capital Surplus	Retained Earnings		Other Equity Interest		Total	Total Equity
			Legal Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Equity Instruments Measured at Fair Value Through Other Comprehensive Income		
Balance at January 1, 2022	\$1,083,425	\$33,842	\$255,841	\$188,486	\$(881)	\$567,778	\$2,128,491	\$2,128,491
Changes in other capital reserves	-	363	-	-	-	-	363	363
Other	-	-	-	-	-	-	-	-
Earnings assignment and distribution in 2021:	-	-	-	-	-	-	-	-
Legal reserve	-	-	5,592	(5,592)	-	-	-	-
Cash dividends	-	-	-	(54,171)	-	-	(54,171)	(54,171)
Net profit for 2022	-	-	-	424,156	-	-	424,156	424,156
Other comprehensive income for 2022	-	-	-	5,362	(47)	428,452	433,767	433,767
Total comprehensive income	-	-	-	429,518	(47)	428,452	857,923	857,923
Instruments designated at fair value through other comprehensive income	-	-	-	213,722	-	(213,722)	-	-
Balance at December 31, 2022	\$1,083,425	\$34,205	\$261,433	\$771,963	\$(928)	\$782,508	\$2,932,606	\$2,932,606
Balance at January 1, 2023	\$1,083,425	\$34,205	\$261,433	\$771,963	\$(928)	\$782,508	\$2,932,606	\$2,932,606
Earnings assignment and distribution in 2022:	-	-	-	-	-	-	-	-
Legal reserve	-	-	64,324	(64,324)	-	-	-	-
Cash dividends	-	-	-	(108,343)	-	-	(108,343)	(108,343)
Net profit for 2023	-	-	-	15,690	-	-	15,690	15,690
Other comprehensive income for 2023	-	-	-	(3,565)	928	(209,372)	(212,009)	(212,009)
Total comprehensive income	-	-	-	12,125	928	(209,372)	(196,319)	(196,319)
Instruments designated at fair value through other comprehensive income	-	-	-	78,755	-	(78,755)	-	-
Capital reduction by cash	(216,685)	-	-	-	-	-	(216,685)	(216,685)
Balance at December 31, 2023	\$866,740	\$34,205	\$325,757	\$690,176	\$-	\$494,351	\$2,411,259	\$2,411,259

(See accompanying notes to consolidated financial statements.)

Chairperson: Yun-Chi Chang

Manager: Yun-Chi Chang

Accounting Manager: Tsai-Yun Yu

Hunya Foods Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to December 31, 2023 and 2022

Item	Expressed in Thousands of New Taiwan Dollars	
	2023 Amount	2022 Amount
Cash flows from operating activities:		
Profit before tax	\$35,203	\$466,846
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	144,575	152,128
Amortization expense	39,679	39,634
Interest expense	9,878	7,849
Interest income	(2,216)	(288)
Other income	(260)	(164)
Gains on disposal of property, plant and equipment	(2,399)	(445,122)
Losses on disposals of property, plant and equipment	397	-
Effects of Changes in Foreign Exchange Rates	(1,043)	4,551
Other income - Gain recognized in bargain purchase transaction	-	(8,520)
Changes in operating assets and liabilities:		
Decrease (increase) in notes receivable	(1,941)	739
Decrease (increase) in accounts receivable	87,158	(41,764)
Decrease (increase) in other receivables	(1,307)	429
Decrease (increase) in inventories	(35,756)	29,776
Decrease (increase) in prepayments	9,862	(5,111)
Decrease (increase) in other current assets	30,268	(26,198)
Increase (decrease) current contract liabilities	17,562	(17,134)
Increase in notes payable	4,137	1,518
Decrease in accounts payable	(10,714)	(6,750)
Increase (decrease) in other payables	(36,732)	50,892
Increase (decrease) in other current liabilities	13,630	(423)
Increase (decrease) in net defined benefit liability	384	(2,934)
Cash generated from operations	300,365	199,954
Interest income received	2,098	288
Interest paid	(9,081)	(7,317)
Income tax paid	(20,163)	(41,515)
Net cash generated from operating activities	273,219	151,410
Cash flows from investing activities:		
Acquisition of property, plant and equipment	(154,586)	(310,929)
Proceeds from disposal of property, plant and equipment	37,494	463,738
Net cash flow from acquisition of subsidiaries	-	(153,787)
Invest in financial assets at fair value through other comprehensive income	-	(95,000)
Proceeds from disposal of financial assets at fair value through other comprehensive income	101,879	284,147
Increase in intangible assets	(8,632)	(3,475)
Decrease in refundable deposits	1,429	93
Increase in other non-current assets	(83,826)	(167,357)
Net cash flows from (used in) investing activities	(106,242)	17,430
Cash flows from financing activities:		
Cash dividends paid	(108,343)	(54,171)
Increase (decrease) in short-term borrowings	5,133	(39,133)
Decrease in short-term notes and bills payable	-	(69,978)
Increase (decrease) current portion of long-term borrowings	22,222	(60,000)
Increase (decrease) in long-term borrowings	196,111	(71,111)
Increase in other non-current liabilities	1,482	217
Increase in capital surplus - others	-	363
Payments of lease liabilities	(18,258)	(19,074)
Capital reduction by cash	(216,685)	-
Net cash flows used in financing activities	(118,338)	(312,887)
Effects of exchange rate changes on cash and cash equivalents	1,971	(4,611)
Net increase (decrease) in cash and cash equivalents	50,610	(148,658)
Cash and cash equivalents at the beginning of the year	68,219	216,877
Cash and cash equivalents at the end of the year	\$118,829	\$68,219

(See accompanying notes to consolidated financial statements.)

Chairperson: Yun-Chi Chang

Manager: Yun-Chi Chang

Accounting Manager: Tsai-Yun Yu

Attachment 4

Hunya Foods Co., Ltd.
Profit Distribution Proposal
2023

Currency Unit: NT\$

Item	Amount
Beginning balance of retained earnings	599,296,770
Add (Minus): Other comprehensive income (Actuarial gains and losses of defined benefit plans in 2023)	(3,564,358)
Add(Minus) : Measured at fair value through other comprehensive income	78,754,956
Current net profit (Loss) after tax	15,689,616
Sub-total	690,176,984
Listed item:	
Legal reserve (10%)	(9,088,021)
Reversal of special reserve	-
Current earnings available for distribution	681,088,963
Distributable item:	
Shareholders' cash dividends (NT\$0.65 per share)	(56,338,105)
Unappropriated retained earnings	624,750,858

Chairperson: Yun-Chi Chang

Managerial Officer: Yun-Chi Chang

Finance and Accounting Supervisor: Tsai-Yun Yu

Attachment 5

Hunya Foods Co., Ltd.

Amended Clauses of the Rules of Procedure for Shareholders' Meetings

Clause	Proposed Amendment	Original Clause	Notes
Article 3	<p>(Convening shareholders' meetings and shareholders' meeting notices) Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the board of directors.</p> <p><u>Unless otherwise provided in the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company's holding of virtual shareholders' meeting shall be specified in the articles of association and shall be resolved by the board of directors by the majority of directors attending a meeting that is attended by 2/3 or more directors.</u></p> <p>Rest of the clause is omitted.</p>	<p>(Convening shareholders' meetings and shareholders' meeting notices) Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the board of directors.</p> <p>Rest of the clause is omitted.</p>	Amendment in accordance with the law to improve corporate governance and to protect shareholders' interest.
Article 6-1	<p><u>To convene a virtual shareholders' meeting, the Company shall include the follow particulars in the shareholders' meeting notice:</u></p> <p><u>1. How shareholders attend the virtual meeting and exercise their rights.</u></p> <p><u>2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:</u></p> <p><u>(1) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.</u></p>	New clause.	Amendment in accordance with the law to improve corporate governance and to protect shareholders' interest.

Clause	Proposed Amendment	Original Clause	Notes
	<p>(2) <u>Shareholders not having registered to attend the affected virtual shareholders' meeting shall not attend the postponed or resumed session.</u></p> <p>(3) <u>In case of a hybrid shareholders' meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders' meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.</u></p> <p>(4) <u>Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.</u></p> <p>3. <u>To convene a virtual-only shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified. Other than the situation provided in paragraph 6, Article 44-9 of the Regulations Governing the Administration of Shareholder</u></p>		

Clause	Proposed Amendment	Original Clause	Notes
	<u>Services of Public Companies, the Company shall at least provide shareholders with connection equipment and necessary assistance. The Company shall also specify the period during which shareholders may seek assistance from the Company and other relevant matters.</u>		
Article 19	<u>In the event of a virtual shareholders' meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.</u>	New clause. (Original Article 19 moved to Article 23)	Amendment in accordance with the law to improve corporate governance and to protect shareholders' interest.
Article 20	<u>When the Company convenes a virtual-only shareholders' meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.</u>	New clause.	Amendment in accordance with the law to improve corporate governance and to protect shareholders' interest.
Article 21	<u>In the event of a virtual shareholders' meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.</u> <u>In the event of a virtual shareholders' meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of</u>	New clause.	Amendment in accordance with the law to improve corporate governance and to protect shareholders' interest.

Clause	Proposed Amendment	Original Clause	Notes
	<p><u>Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply. For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders' meeting online shall not attend the postponed or resumed session.</u></p> <p><u>For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders' meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders' meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session. During a postponed or resumed session of a shareholders' meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.</u></p> <p><u>When the Company convenes a hybrid shareholders' meeting, and</u></p>		

Clause	Proposed Amendment	Original Clause	Notes
	<p><u>the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders' meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.</u></p> <p><u>Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.</u></p> <p><u>When postponing or resuming a meeting according to the second paragraph, the Company shall handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u></p> <p><u>For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public</u></p>		

Clause	Proposed Amendment	Original Clause	Notes
	<u>Companies, the Company shall handle the matter based on the date of the shareholders' meeting that is postponed or resumed under the second paragraph.</u>		
Article 22	<u>When convening a virtual-only shareholders' meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online. Other than the situation provided in paragraph 6, Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall at least provide shareholders with connection equipment and necessary assistance. The Company shall also specify the period during which shareholders may seek assistance from the Company and other relevant matters.</u>	New clause.	Amendment in accordance with the law to improve corporate governance and to protect shareholders' interest.
Article 23	These Rules, including any amendment hereto, are implemented after approval by the shareholders' meeting. The first amendment was made on 31 May 2002. The second amendment was made on 21 June 2019. The third amendment was made on 24 June 2020. The fourth amendment was made on 29 June 2022. <u>The fifth amendment was made on 24 May 2024.</u>	These Rules, including any amendment hereto, are implemented after approval by the shareholders' meeting. The first amendment was made on 31 May 2002. The second amendment was made on 21 June 2017. The third amendment was made on 24 June 2020. The fourth amendment was made on 29 June 2022.	Originally Article 19, with new amendment date added.

【Appendix 1】

Hunya Foods Co., Ltd. Articles of Association

Chapter 1 General

- Article 1 The Company is organized as a stock limited company under the Company Act and is named Hunya Foods Co., Ltd.
- Article 2 The Company operates below business:
- A101020 Growing of Crops
 - A401010 Livestock Farm Management
 - C102010 Manufacture of Dairy Products
 - C103050 Manufacturing of Canning, Freezing, Dehydration, Pickled of Food
 - C104010 Manufacturing of Sugar Confectionery
 - C104020 Manufacture of Bakery and Steam Products
 - C105010 Edible Oil and Fat Manufacturing
 - C106010 Flour Milling
 - C109010 Manufacture of Seasoning
 - C110010 Beverage Manufacturing
 - C199010 Manufacture of Noodles, Couscous and Similar Farinaceous Products
 - C199020 Edible Ice Manufacturing
 - C199990 Manufacture of Other Food Products Not Elsewhere Classified
 - F102030 Wholesale of Tobacco Products and Alcoholic Beverages
 - F104110 Wholesale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories.
 - F106020 Wholesale of Daily Commodities.
 - F106050 Wholesale of Pottery, Porcelain and Glassware
 - F203010 Retail sale of Food Products and Groceries
 - F203020 Retail Sale of Tobacco and Alcohol
 - F204110 Retail Sale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories.
 - F205040 Retail Sale of Furniture, Bedding Kitchen Utensils and Fixtures.
 - F206020 Retail Sale of daily commodities.
 - F207030 Retail Sale of Cleaning Supplies.
 - F208040 Retail Sale of Cosmetics.
 - F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies.
 - F399040 Retail Sale No Storefront.
 - F401010 International Trade
 - F501060 Restaurants.
 - F501990 Other Catering.
 - H701010 Housing and Building Development and Rental.

- J701040 Recreational Activities Venue.
- J799990 Other Recreational Services.
- JB01010 Conference and Exhibition Services
- JE01010 Rental and Leasing.
- JZ99080 Beauty and Hairdressing Services
- JZ99090 Joyous Events Services.
- ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

- Article 2-1 The Company may provide guarantees as required for its business through board resolution.
- Article 2-2 The total amount of investment made by the Company is not subject to the limit ratio under Article 13 of the Company Act.
- Article 3 The Company is headquartered in New Taipei City, Taiwan Province, and may set up branches in appropriate areas as required through board resolution.
- Article 4 The Company makes public announcements in accordance with Article 28 of the Company Act.

Chapter 2 Shares

- Article 5 The Company's total capital is NT\$2,000,000,000, divided into 200,000,000 shares at NT\$10 per share. The board of directors is authorized to issue these shares through multiple issuances.
- Article 6 All of the Company's shares are registered shares, to be issued after the directors affix their signatures or seals, the Company's seal, number and certification in accordance with the law. The Company may be exempt to print share certificates, provided that registration shall be made with a securities depository institution.
- Article 7 Transfer, registration, succession, gift by shareholders, as well as any event of loss, destruction, etc., shall be handled in accordance with the Company Act and applicable laws. Share transfer registration is suspended during a period of 60 days before an ordinary shareholders' meeting, 30 days before an extraordinary shareholders' meeting and 5 days before the record date for the Company's decision to distribute dividend or other interest.
- Article 8 Shareholders shall fill out specimen seals and deposit them with the Company, which shall be used as the basis for collection of dividend, exercise of shareholders' right and transfer of shares. The establishment, abolishment and update of specimen seal cards shall be in accordance with the rules of the competent authority.
- Article 9 Reissuance or replacement of a share certificate due to loss or other reason may be subject to handling charge and stamp duty.

Chapter 3 Shareholders' Meeting

- Article 10 Shareholders' meetings are divided into ordinary meetings and extraordinary meetings. Ordinary meetings are held once a year within 6 months from the end of each accounting year by the board of directors with 30-day prior written notice to each shareholder. Extraordinary meetings are held as required in accordance with the law with 15-day prior notice to each shareholder. The Company may hold shareholders' meetings in virtual manner or other manners publicly announced by the central competent authority. The conditions required for virtual shareholders' meetings, procedures and other compliance matters shall be complaint with the rules of the securities competent authority, if any.
- Article 11 Unless otherwise provided by law, shareholders of the Company are entitled to one vote per share.
- Article 12 Any shareholder who cannot attend a shareholders' meeting in person may issue a proxy printed by the Company in accordance with Article 177 of the Company Act, specifying the scope of authorization and affixed with a signature or seal, to appoint a representative to attend the meeting on its behalf. Unless otherwise provided by the Company Act, the rules thereof shall be in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies published by the competent authority.
- Article 13 Shareholders' meetings of the Company shall be chaired by the chairman of the board of directors. If the chairman is absent due to any reason, the meeting shall be chaired by a director designated by the chairman. If there is no designation, the directors shall elect one person from among themselves to chair the meeting.
- Article 14 Unless otherwise provided by the Company Act, resolutions of shareholders' meetings of the Company shall be approved by shareholders representing the majority of voting rights represented in a meeting that is attended by shareholders representing the majority of outstanding shares.
- Article 15 Resolutions of shareholders' meetings shall be recorded in minutes, affixed with the signature or seal of the chairman and distributed to each shareholder within 20 days from the meeting. The minutes shall record the main proceedings and results of the meeting. Minutes shall be kept in the Company together with the signature books of attending shareholders and proxies in accordance with Article 183 of the Company Act.
- The minutes under the previous paragraph may be distributed through public announcement.

Chapter 4 Directors and Audit Committee

- Article 16 The Company has 5 to 7 directors. Directors are elected under the candidate nomination system by shareholders' meeting from a list of director candidates, serving terms of 3 years. The same person may be re-elected upon expiry of the term. The total number of registered shares of the Company to be held by all directors of the Company shall be in accordance with the threshold stipulated by the competent authority.

Among the number of directors in the previous paragraph, there shall be at least 3 independent directors and at least 1/5 of the board seats shall be independent directors. The professional qualifications of independent directors, their shareholding, restriction on concurrent positions, nomination and election manner and other compliance matters shall be in accordance with relevant rules of the securities competent authority. The Company has an audit committee in accordance with Article 14-4 of the Securities and Transaction Act, compose of all independent directors. The exercise of duties of the audit committee and its members and relevant matters shall be in accordance with the Securities and Transaction Act and other applicable laws.

- Article 17 When there is 1/3 or more vacancy in board seats, the board of directors shall convene a shareholders' meeting to fill the vacancy in accordance with the law. The term shall be the remaining term of the vacant seats.
- Article 18 When the term of directors has expired but re-election has not taken place in time, the term shall be extended until the start of the term of the new directors.
- Article 19 The board of directors is composed of directors. One chairman shall be elected by the directors from among themselves by the majority of directors present in a meeting that is attended by 2/3 or more directors. The chairman is the Company's representative, chairs shareholders' meetings and board meetings and execute all affairs of the Company in accordance with the law, the articles of association and resolutions of the shareholders' meeting and the board of directors.
- Article 19-1 To convene a board meeting, the agenda shall be specified and a notice shall be given to each director 7 days in advance. However, in case of emergency, the meeting may be convened at any time. Notice for board meetings may be given in writing, by fax or by email.
- Article 20 The Company's operating guidelines and other important matters shall be decided by the board of directors. Other than the first meeting of each term, which shall be convened in accordance with Article 203 of the Company Act, other board meetings shall be convened and chaired by the chairman of the board of directors. If the chairman cannot perform his duties, a director designated by the chairman shall act on his behalf. If there is no designation, the directors shall elect one person from among themselves to act on behalf of the chairman.
- Article 21 Unless otherwise provided by the Company Act, the quorum of a board meeting is the majority of directors and decisions shall be made by the majority of directors attending a meeting. A director who cannot attend a meeting for any reason may issue a proxy, specifying the scope of authorization for the agenda, to designate another director to attend the meeting on his behalf. However, one person shall represent no more than one other person. When a virtual board meeting is held, a director participating in the meeting virtually shall be deemed to have attended the meeting in person.
- Article 22 When the audit committee performs its business, it shall affix a seal to the accounting books that it has reviewed and shall make a report at the shareholders' meeting.

Article 23 The Company may pay remuneration to the directors for the performance of job duties for the Company, regardless of whether the Company is profit-making or loss-making. The board of directors is authorized to determine the remuneration based on the common standard of the same industry based on the level of participation in the Company's operation and the value of contribution.

The accrual and payment of pension for the Company's chairman, directors (serving concurrent job duties in the Company) and engaged officers are subject to the rules of the Company for employee retirement.

The Company may purchase liability insurance for directors and officers during their term and to the extent of the performance of business activities.

Chapter 5 Officers

Article 24 The Company has 1 president and several vice presidents, the hiring and dismissal of which shall be in accordance with Article 29 of the Company Act.

Article 25 The president of the Company manages all business activities of the Company in accordance with board resolutions and the chairman's instructions, assisted by the vice president.

Chapter 6 Accounting

Article 26 At the end of the Company's accounting year, the board of directors shall prepare below statements, which shall be submitted to the audit committee for audit 30 days before the ordinary shareholders' meeting, followed by issuance of a report and submission to the shareholders' meeting for approval.

1. Business report.
2. Financial statements.
3. Profit distribution or loss compensation proposal.

Article 27 If the Company has profit in a year, 1% to 3% of the balance amount of the profit before tax after deduction of employee remuneration and director remuneration shall be used to provision employee remuneration and no more than 2% shall be used to provision director remuneration. The recipients of employee remuneration distributed by the Company include subsidiaries of controlled companies or subsidiaries meeting certain conditions. The board of directors is authorized to determine such conditions. If the Company still has accumulated losses, the compensation amount shall first be withheld. At annual general closing of the Company and upon profit distribution, after taxes are paid and past accumulated losses are compensated, 10% shall first be provisioned as legal reserve. The remaining amount, plus the accumulated amount of non-distributed profit, shall be used to provision or recycle special reserve in accordance with the law. The rest shall be accumulated distributable profit. Such accumulated distributor profit shall be subject to the Company's decision for profit reserve or distribution amount and distribution manner based on the basic principles of its dividend policy in consideration of the necessity of

capital funding requirement from profit. If it is proposed to distribute profit through issuance of new shares, the proposal shall be submitted to the shareholders' meeting for resolution and distribution. If the Company distributes all or part of dividend, bonus, legal reserve or capital reserve in cash, the board of directors may be authorized to handle the distribution with the approval of the majority of directors attending a meeting that is attended by 2/3 or more directors, with a report to the shareholders' meeting.

Article 28 The principle of the Company's dividend policy is that at least 50% of the distributable profit will be issued as annual dividend based on continued growth of the Company and taking into account the promotion of operating profit, maximization of shareholder interest and stable operating development. Among such dividend issued, at least 20% shall be cash dividend.

Chapter 7 Miscellaneous

Article 29 The organizational charter and bylaws of the Company shall be further established by the board of directors.

Article 30 Anything that is not stipulated in these Articles of Association shall be governed by the Company Act and the law.

Article 31 These Articles of Association were established on June 8, 1976.

The first amendment was made on December 5, 1978.

The second amendment was made on September 26, 1980.

The third amendment was made on July 20, 1981.

The fourth amendment was made on August 12, 1983.

The fifth amendment was made on September 7, 1987.

The sixth amendment was made on July 28, 1989.

The seventh amendment was made on September 3, 1990.

The eighth amendment was made on November 2, 1992.

The ninth amendment was made on May 15, 1993.

The tenth amendment was made on July 12, 1993.

The eleventh amendment was made on June 5, 1994.

The twelfth amendment was made on June 2, 1996.

The thirteenth amendment was made on May 12, 2000.

The fourteenth amendment was made on June 15, 2001.

The fifteenth amendment was made on May 31, 2002.

The sixteenth amendment was made on June 9, 2006.

The seventeenth amendment was made on June 15, 2007.

The eighteenth amendment was made on June 10, 2011.

The nineteenth amendment was made on June 6, 2012.

The twentieth amendment was made on June 18, 2013.

The twenty-first amendment was made on June 2, 2015.

The twenty-second amendment was made on June 22, 2016.

The twenty-third amendment was made on June 22, 2017.

The twenty-fourth amendment was made on June 21, 2019.

The twenty-fifth amendment was made on June 29, 2022.

【Appendix 2】

Hunya Foods Co., Ltd. Rules of Procedure for Shareholders' Meetings

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

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

Article 3 (Convening shareholders' meetings and shareholders' meeting notices) Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the board of directors.

The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a general shareholders' meeting or before 15 days before the date of an extraordinary shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the general shareholders' meeting or before 15 days before the date of the extraordinary shareholders' meeting. In addition, before 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby and distributed on-site at the shareholders' meeting.

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

Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons

for convening the shareholders' meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders' meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a general shareholders' meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. However, if the shareholder proposes a recommendation for urging the company to promote public interests or fulfill its social responsibilities, the board of directors may still include the proposal in the agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

Prior to the book closure date before a general shareholders' meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days. Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the general shareholders' meeting and take part in discussion of the proposal. Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders' meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

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

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

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company

before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5 The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

Article 6 The Company shall specify in its shareholders' meeting notices the time during which attendance registrations for shareholders will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

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

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

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

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

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the

company. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders' meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

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

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.

Article 8 The Company, 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 of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 9 Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders' meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.

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

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

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

The 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. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

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

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

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

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

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

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

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

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

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

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

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

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

Article 13 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 Article 179, paragraph 2 of the Company Act.

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

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

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

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

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

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

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

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

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

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

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

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

an election of directors. The minutes shall be retained for the duration of the existence of the Company.

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

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

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

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 identification card or armband bearing the word "Proctor".

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

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

Article 18 When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed. If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

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

Article 19 These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner. These Rules were established on 31 May 2002. The first amendment was made on 22 June 2017. The second amendment was made on 21 June 2019. The third amendment was made on 24 June 2020. The fourth amendment was made on 29 June 2022.

【Appendix 3】

Directors' Shareholding Details

- (I) Details about the minimum number of shares to be held by all directors and the number of shares held as recorded in the shareholders register

Title	No. of Shares to be Held	Registered No. in Shareholders Register
Director	Note applicable (Note)	22,591,610 Shares

Note: The number of independent directors exceeds 1/2 of the total number of the Company' board seats and an audit committee has been put in place. Therefore, the statutory requirement of minimum number of shares to be held by all directors does not apply.

- (II) Details about the number of shares held by directors

Title	Name	Registered No. in Shareholders Register	Shareholding Ratio
Chairperson	Cheng Tian Investment Co., Ltd. Representative: Yun-Chi Chang	9,711,652	11.20%
Director	Tong Mao Investment Co., Ltd. Representative: Sheng-Chun Wang	114,926	0.13%
Director	Rivon Investment Co., Ltd. Representative: Shu-Yen Chang	12,765,032	14.72%
Independent Director	Tsung-Pen, Chang	0	0
Independent Director	Yen-Chuan Lin	0	0
Independent Director	Chun-Pei Liu	0	0
Independent Director	Cheng-Chiu Yang	0	0

Note: Transfer registration cutoff date 26 March 2024



宏亞食品股份有限公司
HUNYA FOODS CO., LTD.